

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) Case No. 15-00261-UT
NOTICE NO. 513)
)
)
PUBLIC SERVICE COMPANY OF NEW)
MEXICO,)
)
)
Applicant)
)
)

DIRECT TESTIMONY AND EXHIBITS

OF

MATTHEW F. HARLAND

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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AFFIDAVIT

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1 **I. INTRODUCTION AND PURPOSE**

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

3 **A.** My name is Matthew F. Harland. I am the Director of Tax for Public Service
4 Company of New Mexico (“PNM” or the “Company”). My address is 414 Silver
5 Avenue, SW, Albuquerque, New Mexico 87102.

6

7 **Q. PLEASE DESCRIBE YOUR RESPONSIBILITIES AS DIRECTOR OF
8 TAX.**

9 **A.** As Director of Tax I am responsible for managing the PNM tax department. This
10 includes the preparation and filing of all tax returns, all tax accounting for both
11 internal and external purposes, all tax planning, and managing all Federal and state
12 tax audits. The only exception is payroll taxes, which are calculated and filed by
13 our payroll department.

14

15 **Q. HAVE YOU PREVIOUSLY TESTIFIED IN UTILITY REGULATION
16 PROCEEDINGS?**

17 **A.** Yes, I have previously testified before the New Mexico Public Regulation
18 Commission (“NMPRC” or the “Commission”) and the Public Utility Commission
19 of Texas. A summary of the cases in which I have testified is included in PNM
20 Exhibit MFH-1.

21

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

2 **A.** My direct testimony covers the following areas:

- 3 • I am sponsoring Rule 530 Schedules H-9, H-10, H-11, H-12 and H-13, related
4 to the income tax computations, and required under 17.9.530 NMAC.
- 5 • I discuss the stand-alone method of accounting for income taxes used in this
6 case.
- 7 • I discuss the normalized income tax accounting methods used by PNM, as
8 required by the Financial Accounting Standards Board (“FASB”) Accounting
9 Standards Codification Topic 740 (“ASC 740”) (formerly FASB Statement of
10 Financial Accounting Standards No. 109 (“SFAS 109”)).
- 11 • I discuss the income tax normalization requirements of the Internal Revenue
12 Service (“IRS”), including those that relate to deferred tax assets resulting from
13 Contributions In Aid of Construction (“CIAC”).
- 14 • I discuss the IRS income tax normalization requirements that relate to deferred
15 tax assets resulting from Net Operating Loss (“NOL”) carryforwards.
- 16 • I discuss the additional IRS income tax normalization requirements specific to
17 a future test period filing.
- 18 • I discuss the New Mexico corporate income tax rate reduction phase-in that
19 occurs in 2014-2018.

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- I discuss the functionality of the calculation of Accumulated Deferred Income Taxes (“ADIT”), Investment Tax Credits (“ITC”), and income tax expense as they relate to the cost of service model used in this proceeding.
 - I discuss the Base Period to Test Period adjustments to ADIT, income tax expense, current taxable income, and property tax rates.

6

7 Q. HOW DOES YOUR TESTIMONY RELATE TO THE TESTIMONY
8 PRESENTED BY OTHER COMPANY WITNESSES?

9 A. My testimony is directly related to the computation of ADIT, income tax expense,
10 and property tax rates that are used in the cost of service studies contained in PNM
11 Exhibit HEM-3, as presented by PNM Witness Monroy.

12

II. SUMMARY OF KEY CONCLUSIONS

14 Q. WHAT ARE THE KEY CONCLUSIONS OF YOUR TESTIMONY?

15 A. ADIT and income tax expense should be calculated on a fully normalized, stand-
16 alone basis. All IRS normalization requirements, including, but not exclusively,
17 those relating to accelerated tax depreciation, NOLs, CIAC, ITC, and future test
18 periods should be strictly followed. This case as filed meets all of these
19 requirements and fairly and accurately calculates both ADIT and income tax
20 expense in the Base and Test Periods.

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1 **III. RULE 530 SCHEDULES H-9 THROUGH H-13**

2 **Q. PLEASE DESCRIBE THE PURPOSE OF RULE 530 SCHEDULES H-9
3 THROUGH H-13.**

4 **A.** Rule 530 Schedule H-9 shows the calculation of Federal and state income tax
5 expense for the Base and Adjusted Base Periods and the Test Period. The
6 calculation of income tax expense in Rule 530 Schedule H-9 is used in the
7 determination of revenue requirement for the Test Period, just as it has been in
8 PNM's prior cases. PNM Exhibit MFH-3 provides the calculations of the income
9 tax expense included in Rule 530 Schedule H-9.

10
11 Rule 530 Schedule H-10 reconciles book income and current taxable income for
12 the Base Period, the Adjusted Base Period, and the Test Period. The calculation of
13 current taxable income is purely informational, and is not included in the cost of
14 service, as it does not affect total tax expense recoverable in rates. PNM Exhibit
15 MFH-3 provides the calculations of the taxable income included in Rule 530
16 Schedule H-10.

17
18 Rule 530 Schedule H-11 requires an analysis of the tax effects from filing a
19 consolidated federal income tax return. I provide this analysis in Sections IV of my
20 testimony below.

21

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1 Rule 530 Schedule H-12 provides detail of the ADIT activity for the 12 months
2 ended March 31, 2015 and ADIT balances for the Base and Adjusted Base Periods
3 and the Test Period. The ADIT accounts included in rate base are those that relate
4 to underlying assets or liabilities included in rate base. ADIT accounts that relate
5 to assets and liabilities excluded from rate base are also excluded from rate base.
6 PNM Exhibit MFH-2 provides the calculations of the ADIT included in Rule 530
7 Schedule H-12. PNM Exhibit MFH-5 provides the calculations of the tax
8 depreciation ADIT included in PNM Exhibit MFH-2 and ultimately in Rule 530
9 Schedule H-12.

10

11 Rule 530 Schedule H-13 provides detail of the accumulated deferred ITC for the
12 Base, Adjusted Base, and Test Periods. PNM Exhibit MFH-4 provides the
13 calculations of the ITC amortization included in Rule 530 Schedule H-13.

14

15 These schedules are being provided in executable electronic format on a DVD-
16 ROM, but are neither fully functional nor required to be filed as fully functional
17 under the Future Test Year Rule

18

19 **Q. PLEASE DESCRIBE THE CALCULATION OF INCOME TAX EXPENSE
20 ON RULE 530 SCHEDULE H-9.**

21 A. Rule 530 Schedule H-9 calculates the income tax expense allowable in rates for
22 the Base Period, the Adjusted Base Period, and the Test Period. The calculation
23 begins with net pre-tax income as determined in the cost of service. Net pre-tax

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1 income is then adjusted for permanent book/tax differences. It is also adjusted for
2 the reversal of temporary book/tax differences the benefits of which were
3 previously flowed through to customers. These are temporary differences that are
4 treated as if they are permanent differences for ratemaking purposes. The adjusted
5 net income is then multiplied by the statutory New Mexico and Federal tax rates to
6 determine the preliminary tax expense. The preliminary tax expense is then
7 reduced by the annual amortization of ITC, as shown on Rule 530 Schedule H-13,
8 other allowable tax credits, and the reversal of excess deferred income taxes. With
9 the exception of the reversal of prior flow-throughs, the tax expense on Rule 530
10 Schedule H-9 is calculated on a fully normalized basis, as that term is defined
11 below. Therefore, it is correctly not adjusted for the effect of temporary book/tax
12 differences. This is because temporary differences determine only the timing of
13 the payment of taxes, and not the absolute amount of tax expense. These
14 temporary differences are reflected, along with the permanent differences, in the
15 calculation of current taxable income on Rule 530 Schedule H-10.

16

17 **IV. STAND-ALONE TAX CALCULATION**

18 **Q. IS THE INCOME TAX EXPENSE IN THE COST OF SERVICE
19 CACULATED ON A STAND-ALONE BASIS OR A CONSOLIDATED
20 BASIS?**

21 **A.** The income tax expense included in the cost of service is calculated on a stand-
22 alone basis. No effects of the consolidated filing are included in the cost of

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1 service. This is consistent with prior PNM rate applications and prior Commission
2 orders.

3

4 **Q. PLEASE ADDRESS THE EFFECTS OF FILING CONSOLIDATED
5 INCOME TAX RETURNS AS REQUIRED BY RULE 530 SCHEDULE H-
6 11.**

7 **A.** There are no effects on PNM resulting from the filing of consolidated income tax
8 returns by PNM Resources. A pro-forma stand-alone income tax return is
9 prepared for each of the affiliated companies, including PNM. These returns are,
10 in turn, included in the PNM Resources consolidated income tax return, which is
11 filed with the IRS. In 1984, PNM adopted an Inter-Company Tax Allocation
12 Policy that has been uniformly applied since that time with only minor changes.
13 Under that policy, each company is treated on a stand-alone basis for purposes of
14 computing its income tax expense. These stand-alone returns are then combined to
15 create the consolidated return. This method did not change with the formation of
16 PNM Resources, except that PNM Resources, rather than PNM, became the
17 ultimate taxpayer liable to the IRS. PNM Resources (rather than PNM, as in the
18 past) pays to the IRS the total current tax liability of the consolidated group. PNM
19 and each of the other affiliated companies then reimburse PNM Resources for their
20 respective stand-alone tax liabilities.

21

22 In 2005, PNM Resources filed as a registered holding company under the Public
23 Utility Holding Company Act of 1935 (“PUHCA”). As a result of this filing,

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1 slight changes to the Inter-Company Tax Allocation Policy were required. Slight
2 changes were also made when the Inter-Company Tax Allocation Policy was
3 redrafted in 2008, following the repeal of PUHCA. These changes never result in
4 PNM being responsible to PNM Resources for tax expense in excess of its stand-
5 alone share of the consolidated liability. Additionally, in some cases, a current tax
6 expense or benefit occurs at a consolidated level and is allocated pro-rata to the
7 business unit whose business activity resulted in the particular benefit or expense.
8 No such items exist in the Test Period.

9

10 **Q. WHY IS THE STAND-ALONE CALCULATION THE APPROPRIATE
11 METHOD TO USE IN DETERMINING TAX EXPENSE?**

12 **A.** As discussed above, the consolidated return is merely a summation of all the stand-
13 alone tax returns for the companies included in the consolidated group. No tax
14 benefits are created merely by filing a consolidated return. The stand-alone tax
15 returns reflect the current tax expense resulting from the income and expenses
16 related to the business activities of each separate company. As such, they correctly
17 match the current tax expense of each entity with the income and expenses that
18 created that tax liability. The stand-alone calculation prevents the cross-
19 subsidization of one entity by another.

20

21 **Q. DOES THE STAND-ALONE CALCULATION USED IN THE
22 INTERCOMPANY TAX ALLOCATION POLICY AND THE COST OF**

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1 **SERVICE COMPLY WITH THE FINAL ORDER IN NMPRC CASE NO.**

2 **3137?**

3 A. Yes, it does. The Final Order in NMPRC Case No. 3137 requires that:

4 PNM's payment to the holding company for income tax shall be
5 limited to PNM's share of the current income tax liability of the
6 consolidated corporation.

7 The Intercompany Tax Allocation Policy ensures that PNM's payment is no more
8 (or no less) than its stand-alone share of the consolidated tax liability. The stand-
9 alone income tax calculation was used by PNM in its filings in NMPRC Case No.
10 3137 for both the original cost of service and the illustrative cost of service filed in
11 support of the stipulation in that case. It is the only method that ensures that PNM
12 will always pay its share of tax expense, or be paid for its share of tax benefit, and
13 no more. Any type of consolidated tax adjustment, which artificially shifts tax
14 attributes from one entity to another, will, if consistently applied, cause PNM to
15 pay either more or less than its share of the consolidated tax liability. This would
16 result, by definition, in a cross-subsidization among entities.

17

18 Q. **HAS THE STAND-ALONE CALCULATION BEEN EXPLICITLY
19 APPROVED BY THE NMPRC?**

20 A. Yes, it has. The issue of using a stand-alone versus a consolidated tax calculation
21 was investigated in depth in NMPRC Case No. 07-00077-UT. The Recommended
22 Decision, which was adopted by the Commission's Final Order in that case, states
23 on page 131:

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1 PNM and, especially, Staff have demonstrated that the stand alone
2 method should be continued because it serves the public interest by
3 being consistent with and promoting the accounting and regulatory
4 principles of cost causation, the benefits/burden equation and
5 prevention of cross subsidization.

6 **V. ACCOUNTING FOR INCOME TAXES**

7 **Q. WHICH ACCOUNTING METHOD, NORMALIZATION OR FLOW-**
8 **THROUGH, DOES PNM USE TO DETERMINE INCOME TAX EXPENSE**
9 **AND ADIT IN THE COST OF SERVICE?**

10 A. PNM uses the normalization method. In NMPUC Case No. 2567, PNM proposed
11 full tax normalization (for state as well as Federal tax purposes) for its electric
12 operations for all new temporary differences. The normalization methodology
13 was approved in that case and has been consistently used by PNM in every
14 subsequent rate proceeding, including this one.

15
16 **Q. PLEASE EXPLAIN NORMALIZATION ACCOUNTING.**

17 A. Normalization accounting for income taxes calculates income tax expense on the
18 pre-tax items of income and expense recorded for financial statement purposes or
19 included in the cost of service for ratemaking purposes. The income tax expense is
20 then adjusted for permanent differences between income recorded for financial
21 reporting (book) purposes and income determined for income tax reporting (tax)
22 purposes. Tax expense is then divided between the amount currently payable to
23 the IRS, and the amount that must be paid in the future. This division between
24 current and deferred tax expense is calculated based on temporary differences

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1 between book and taxable income. The tax expense incurred in the current year
2 for which payment is deferred due to temporary book/tax differences is recorded
3 on the balance sheet as a liability or asset, as the case may be.

4 The flow-through method, on the other hand, treats temporary differences not as a
5 deferral of an incurred tax liability, but as a permanent reduction in the income tax
6 expense for the period. This mischaracterization results in cross-subsidization of
7 tax expense between customers in different periods, depending on when temporary
8 differences originate and reverse.

9

10 **Q. WHY IS NORMALIZATION SUPERIOR TO OTHER METHODS OF
11 TAX ACCOUNTING?**

12 **A.** Under normalization, tax expense is recognized in the same time period as the
13 income or expense from which it is derived. In other words, tax expense is
14 recorded when the liability to pay the tax is established, not when the taxes are
15 actually paid. Then, an ADIT account is created for the portion of that tax that is
16 not payable immediately, but is deferred and payable in a future year. In this way,
17 normalization results in the proper allocation of tax expense between current and
18 future customers while taking into account the time value of the savings resulting
19 from deferred tax payments by including ADIT in rate base. For ratemaking
20 purposes, the sum of all the ADIT accounts is generally a liability balance and
21 therefore reduces rate base. This recognizes that the temporary cash savings
22 resulting from the deferred tax payments represents a cost-free source of capital to

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1 the utility. The inclusion of the net ADIT liability ensures that customers receive
2 the benefit of this cost-free capital.

3

4 **Q. CAN ADIT BE AN ADDITION TO RATE BASE, RATHER THAN A
5 REDUCTION?**

6 **A.** Yes, it can. Certain temporary book/tax differences increase, rather than decrease,
7 taxable income. An example is interest expense on capital projects that is required
8 to be capitalized and depreciated for tax purposes, but is deducted when incurred
9 for book purposes. In this case, the cash tax payable actually exceeds the tax
10 expense recorded for book purposes, but this excess will be returned to the
11 Company over time. In such a case, an ADIT asset, or prepaid tax, rather than a
12 liability, would be created. The theory and treatment is the same, however, for
13 both ADIT assets and liabilities – their inclusion in rate base accounts for the
14 difference between recoverable income tax expense and cash taxes paid.

15

16 **Q. PLEASE EXPLAIN THE TERM “PERMANENT DIFFERENCE” AS IT
17 RELATES TO THE RECORDING OF INCOME TAXES.**

18 **A.** A permanent difference is a book/tax difference that will never reverse. Because
19 of differences between the book (and ratemaking) accounting rules and the tax
20 law, the taxability of some income or expense items will never be the same for
21 book and tax purposes. These items affect the total income taxes paid over time,
22 not just the timing of those payments.

23

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1 An example of a permanent difference is 50% of meals and entertainment
2 expenses. For book purposes, 100% of meals and entertainment expenses are
3 generally deductible. For tax purposes, however, only 50% are considered
4 deductible. The difference between the book deductibility and the tax deductibility
5 is absolute and permanent, and not merely related to the timing of the deduction.
6 Therefore, tax expense must be increased by the tax on the non-deductible 50% of
7 these expenses.

8

9 **Q. WHY ARE PERMANENT BOOK/TAX DIFFERENCES AND**
10 **TEMPORARY BOOK/TAX DIFFERENCES NOT ACCOUNTED FOR IN**
11 **THE SAME WAY?**

12 **A.** Total tax expense recorded for book purposes over the life of the corporation must
13 equal the total amount of tax remitted to the IRS over the life of the corporation.
14 Because permanent differences never reverse over time, they affect the total tax
15 paid, not just the timing of the payments. Therefore, book income tax expense
16 must be adjusted for the change in tax expense created by these permanent
17 differences. This is done on Rule 530 Schedule H-9 and in the cost of service
18 studies included in PNM Exhibit HEM-3. The accounting treatment for permanent
19 differences is the same whether the normalization method or the flow-through
20 method is used.

21

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1 Temporary differences, on the other hand, are book/tax differences that reverse
2 over time. Therefore, they affect only the timing of tax payments, and not the total
3 income tax payable over time.

4

5 **Q. PLEASE EXPLAIN THE TERM “TEMPORARY DIFFERENCE” AS IT IS
6 USED ABOVE.**

7 **A.** A temporary difference is a difference between book income and taxable income
8 that arises in one tax year and reverses in later years. A temporary difference
9 results in no change in total tax expense payable over the life of the underlying
10 item. A temporary difference only affects the timing of the payment of such tax
11 liability.

12

13 The use of accelerated depreciation for tax purposes is an example of an
14 accounting method that gives rise to a temporary difference between book income
15 and taxable income. Although depreciation on a given asset can only equal the
16 asset’s cost and can only be taken over the life of the asset, the timing of the
17 depreciation deduction will differ when different depreciation methods are allowed
18 for book and tax purposes. For example, assume that accelerated depreciation is
19 used for tax purposes but the straight-line method is used for calculating book
20 depreciation expense. In this case, taxable income will be less than book income
21 in the early years of the life of the asset, because the depreciation deduction for tax
22 purposes is accelerated, or “front-end loaded.” Correspondingly, taxable income
23 will be greater than book income in later years, when the straight-line book method

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1 results in a higher depreciation deduction than that used for tax purposes. Over the
2 life of the asset, the cumulative amounts deducted for depreciation will be the
3 same for book and tax purposes, and the total income tax expense will be the same
4 for both.

5

6 **Q. PLEASE EXPLAIN WHY THE FLOW-THROUGH METHOD OF**
7 **ACCOUNTING FOR TAXES SHOULD NOT BE USED.**

8 **A.** The flow-through method of calculating income tax expense does not correctly
9 match tax expense with the underlying pre-tax income and expense items in any
10 one ratemaking period. It simply adjusts the total tax expense in any given year by
11 the cash tax-savings or expense resulting from the temporary differences, both
12 originating and reversing, in that year. In other words, taxable income for book
13 and tax both reflect the current taxable income as reported on the tax return. In the
14 accelerated tax depreciation example, use of the flow-through method will result in
15 the current generation of customers being subsidized by a later generation.

16

17 Because temporary differences affect only the timing of tax payments, and not the
18 total amount of the income tax liability, the flow-through method also results in a
19 mismatch of book income and the tax expense resulting therefrom. This is because
20 certain pre-tax items are recognized for book purposes, but their tax effect is not,
21 and vice versa. The inclusion in the cost of service of tax expense based on current
22 taxable income rather than on book income results in a mismatch of tax expense
23 and recoverable expenses for ratemaking purposes as well. If the temporary

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1 differences result in a net reduction in current taxable income and,
2 correspondingly, the tax expense included in the determination of rates, current
3 customers would benefit unjustly at the expense of future customers who will have
4 to pay higher tax expense when the temporary differences reverse. On the other
5 hand, if a net increase in current taxable income results, it would be the current
6 customers that would be adversely affected.

7

8 The flow-through method should not be used to calculate income tax expense
9 because it does not correctly match tax expense with the underlying pre-tax
10 income and expense items in any one ratemaking period, and results in a
11 subsidization of costs between customers in different time periods.

12

13 **VI. DEPRECIATION NORMALIZATION REQUIREMENTS**

14 **Q. MUST NORMALIZATION ACCOUNTING BE USED TO SET UTILITY
15 RATES?**

16 **A.** Yes. The Internal Revenue Code (“IRC” or the “Tax Code”) § 168 mandates that,
17 in determining rates using a cost of service methodology, regulated utilities must use
18 the normalization method, and not the flow-through method, to calculate the tax
19 expense related to depreciation-related temporary differences. Additionally, the
20 temporary difference resulting from CIAC is specifically required to be normalized

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1 under IRS Notice 87-82, as discussed in IRS Private Letter Rulings¹ (“PLRs”)
2 9035056 and 200933023. Similarly, NOLs are specifically required to be
3 normalized, to the extent that they are created by accelerated tax depreciation.

4 The normalization method correctly recognizes that temporary book/tax
5 differences, by their nature, reverse over time, so that they affect only the timing of
6 tax payments, not the total tax expense paid.

7

8 **Q. WHAT IS THE PENALTY FOR VIOLATING THE IRS**
9 **NORMALIZATION REQUIREMENT?**

10 **A.** A normalization violation will result in the loss of the ability to use accelerated tax
11 depreciation on all public utility property held by the utility. This would result in a
12 substantial increase in rates, as customers would no longer enjoy the large rate
13 base reduction resulting from depreciation-related ADIT liabilities.

14

15 **Q. ARE UNREGULATED COMPANIES ALSO REQUIRED TO USE**
16 **NORMALIZATION ACCOUNTING IN THEIR FINANCIAL**
17 **STATEMENTS?**

18 **A.** Yes, they are, but not by the IRS. Rather, under Generally Accepted Accounting
19 Principles (“GAAP”), both regulated and unregulated companies are required to
20 normalize all temporary book/tax differences. ASC 740 addresses the inter-period

¹ Although not strictly binding authority on taxpayers other than the one applying for the ruling, Private Letter Rulings issued by the IRS reflect their position on the issues discussed in the ruling. Such legal interpretations are important tools for tax practitioners, and are routinely relied on in applying the IRC and regulations to similar fact patterns. Taxpayers with similar facts rightly assume similar treatment in the absence of contrary authority.

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1 allocation of income tax expense. GAAP generally, and ASC 740 specifically,
2 require the “normalization” of income taxes, and that deferred income taxes
3 resulting from temporary book/tax differences be accounted for using the liability,
4 or “ADIT”, method for financial statement purposes. As required by GAAP, PNM
5 adopted SFAS 96 (the predecessor to SFAS 109 and, ultimately, ASC 740) on
6 January 1, 1990 and has consistently followed its normalization standards in all
7 subsequent accounting periods.

8

9 **VII. NOL ADIT NORMALIZATION REQUIREMENTS**

10 **Q. IN THE PREVIOUS SECTION, YOU MENTIONED THAT NOL
11 CARRYFORWARD ADIT IS REQUIRED TO BE NORMALIZED IN
12 CERTAIN CASES. IS PNM CURRENTLY IN A NET OPERATING LOSS
13 CARRYFORWARD POSITION?**

14 **A.** Yes, PNM is currently in a NOL carryforward position. Additionally, although
15 PNM expects to utilize a large portion of that NOL carryforward before and during
16 the Test Period, it still expects to have some NOL carryforward remaining to be
17 utilized subsequent to the Test Period.

18

19 **Q. HAS PNM INCLUDED A NOL CARRYFORWARD ADIT ASSET IN
20 RATE BASE IN THE BASE AND TEST PERIODS?**

21 **A.** Yes, it has, consistent with GAAP and IRS normalization requirements.

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1 **Q. WHY IS PNM IN A NOL CARRYFORWARD SITUATION?**

2 **A.** A NOL is created when tax deductions exceed taxable income. These deductions
3 can arise from temporary book/tax differences such as accelerated tax depreciation.
4 For capital intensive businesses such as utilities, the temporary bonus depreciation
5 provisions of the IRC, in place since 2008, have often resulted in tax depreciation
6 deductions so large that they created negative current taxable income. In 2010,
7 2011, 2012, and 2014 PNM incurred NOLs, because it generated deductions which
8 exceeded its taxable income (on a consolidated basis, PNM Resources and its
9 subsidiaries incurred NOLs in 2010, 2012, 2013, and 2014).

10

11 When a company has negative current taxable income, it cannot realize the cash
12 benefit of all of the deductions, because it cannot reduce its tax payments below
13 zero. The NOLs must be deferred and carried forward to be used against taxable
14 income in future periods, subject to certain limitations. Only then will the
15 taxpayer receive the cash tax benefit of these NOLs.

16

17 When carried forward, the NOL is a temporary book/tax difference for which an
18 ADIT asset must be recorded. The sum of (i) the ADIT liability created by the
19 bonus depreciation and (ii) the ADIT asset created by the NOL carryforward
20 represents the cash tax benefits that were actually received by the company.

21

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1 **Q. IS IT SOUND REGULATORY AND ACCOUNTING PRACTICE TO**
2 **INCLUDE THE NOL CARRYFORWARD ADIT IN RATE BASE?**

3 **A.** Yes, it is. This treatment assures that PNM and its customers receive the benefit of
4 the actual deferred tax payments, no more and no less. Including only the ADIT
5 liability from accelerated tax depreciation, including bonus depreciation, and not
6 also the offsetting NOL carryforward ADIT asset, would treat the Company as if it
7 had realized the entire benefit of the bonus depreciation in the years in which it
8 was earned. In reality, a substantial portion of that benefit is required to be
9 deferred, only to be realized in future years. The reason that ADIT liabilities are
10 included as a reduction to rate base is to compensate customers for the cash
11 benefit, or cost-free capital, that the utility has received due to the temporary
12 acceleration of certain expenses for tax purposes. By not including the NOL
13 carryforward ADIT asset as an addition to rate base, this benefit would be greatly
14 overstated.

15

16 In *Kern River Gas Transmission Company*, FERC Docket No. RP07-274-000, a
17 situation almost identical to PNM's was litigated. In that case, the FERC
18 addressed both ADIT assets generally, and NOL carryforward ADIT assets
19 specifically. It concluded:

20 229. There is a second type of timing [difference] that
21 can have the opposite effect. It is possible that some
22 accounting entries will decrease expenses or increase
23 income for IRS purposes faster than would be the case for
24 accounting purposes. In this case the cash flow from the
25 tax allowance embedded in the regulated entity's rates is
26 less than the income tax payments that are generated by the

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1 higher income. When the regulated entity pays for an
2 expense earlier than would be under the Commission's
3 regulatory accounting system, it is in essence committing
4 more funds to the business. The difference is therefore
5 capitalized and added to the rate base. The difference in
6 the timing that results is capitalized and added to the rate
7 base to allow a somewhat higher return on the additional
8 funds that have been committed to the enterprise. As the
9 accounting entries for these expenses are entered (usually
10 allowance of funds used during construction), the
11 difference in timing is reversed, the short term addition to
12 the rate base decreases, and return drops. This timing
13 difference is reflected as an ADIT debit, or regulatory
14 asset, in Account No. 190.

15 230. In the instant case the NOL was properly included
16 in Account No. 190. The large depreciation deduction for
17 the "bonus" depreciation was properly reflected as a credit
18 in Account No. 282 and served to reduce rate base to reflect
19 the difference in timing previously described. However,
20 the impact of this deduction was so great that it exceeded
21 the taxable cash that would have been generated under the
22 straight line regulatory method. Thus, Kern River was not
23 able to use the full extent of the deduction in the first year it
24 was available. However, as discussed, the full accelerated
25 depreciation amount is included in the credit ADIT in
26 Account No. 282. Without a corresponding debit in
27 Account Mo. 190, Kern River's rate base would be reduced
28 even through [sic] it did not achieve the tax savings, and
29 additional cash flow, that a credit entry in Account No. 282
30 is intended to offset. Therefore, the NOL is carried forward
31 as a regulatory asset in future years and is reduced as the
32 tax savings actually accrue to Kern River. Offsetting the
33 NOL against the total ADIT reduction in the first year
34 assures that the rate base is reduced only as the company
35 actually obtains the additional cash flows, and hence the
36 return, that the ADIT tax methodology captures for the
37 ratepayer (emphasis added).

38 Although this FERC decision is not binding on other Commissions, it does provide
39 an excellent analysis of the issue.

40

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1 **Q. IS THE INCLUSION IN RATE BASE OF THE NOL CARRYFORWARD
2 ADIT REQUIRED BY THE IRS?**

3 **A.** Yes, it is. Treasury Regulation § 1.167(l)-1(h)(1)(iii), specifically addresses this
4 situation:

5 If, however, in respect of any taxable year the use of a
6 method of depreciation other than a subsection (l) method
7 for purposes of determining the taxpayer's reasonable
8 allowance under section 167(a) results in a net operating
9 loss carryover (as determined under section 172) to a year
10 succeeding such taxable year which would not have arisen
11 (or an increase in such carryover which would not have
12 arisen) had the taxpayer determined his reasonable
13 allowance under section 167(a) using a subsection (l)
14 method, then the amount and time of the deferral of tax
15 liability shall be taken into account in such appropriate time
16 and manner as is satisfactory to the district director.

17 PLR 8818040, and more recently, PLRs 201436037, 201436038, 201438003, and
18 201519021 clarify that a tax calculation with and without accelerated depreciation
19 is utilized to determine the amount of the NOL carryforward ADIT required to be
20 normalized. To the extent that accelerated depreciation creates a NOL
21 carryforward, the NOL carryforward ADIT asset must be included in rate base.
22 Excluding this NOL carryforward ADIT asset would constitute a normalization
23 violation.

24
25 Q. PLEASE DISCUSS THE FOUR RECENT PLRS MENTIONED ABOVE.

26 **A.** These four PLRs are important because they deal with facts almost identical to
27 PNM's. Before the introduction of bonus tax depreciation, very few regulated
28 utilities incurred NOLs on a stand-alone basis. This accounts for the dearth of

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1 recent PLRs on the issue of NOL carryforward ADIT normalization. With the
2 enactment of bonus depreciation in 2008, and its continued extension through
3 2014, NOLs have become much more common for utilities in recent years. Many
4 commissions are dealing for the first time with the question of whether to include
5 NOL carryforward ADIT assets in rate base. As a result of their commissions'
6 final orders, several utilities are seeking PLRs regarding NOL carryforward ADIT
7 normalization. All four of the referenced 2014 and 2015 PLRs relate to whether
8 NOL carryforward ADIT assets are required to be included in rate base, and how
9 to calculate the required includible amount.

10

11 **Q. WHAT CONCLUSIONS DO THESE PLRS REACH?**

12 **A.** These four PLRs confirm that in order to avoid a normalization violation, NOL
13 carryforward ADIT assets must be included in rate base and that the correct
14 method for determining the amount that must be included is a with-and-without
15 approach. In other words, the hypothetical taxable income of the utility is
16 calculated with and without accelerated tax depreciation. The change in the
17 taxable loss that results is the amount for which NOL carryforward ADIT must be
18 included in rate base to prevent a normalization violation. If the change exceeds
19 the NOL, the entire NOL carryforward ADIT must be included in rate base. All
20 four PLRs contain essentially identical language, as follows:

21 Because the ADIT account [*Account 282*], the reserve account for
22 deferring taxes, reduces rate base, it is clear that the portion of an
23 NOLC [*Account 190*] that is attributable to accelerated
24 depreciation must be taken into account in calculating the amount
25 of the reserve for deferred taxes (ADIT)...

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The “with or without” methodology employed by Taxpayer is specifically designed to ensure that the portion of the NOLC attributable to accelerated depreciation is correctly taken into account by maximizing the amount of the NOLC attributable to accelerated depreciation. This methodology provides certainty and prevents the possibility of “flow through” of the benefits of accelerated depreciation to ratepayers (underlines and [FERC Account references] added for clarity).

9

10 Q. WHAT IS THE PENALTY FOR VIOLATING THE IRS
11 NORMALIZATION REQUIREMENT REGARDING NOLS?

12 A. Because the NOL normalization rules are a subset of the depreciation
13 normalization rules, a violation of the NOL normalization requirement would
14 result in the loss of the ability to use accelerated tax depreciation on all public
15 utility property held by the utility.

16

VIII. FUTURE TEST PERIOD NORMALIZATION REQUIREMENTS

18 Q. ARE THERE ADDITIONAL IRS NORMALIZATION REQUIREMENTS
19 THAT RELATE SPECIFICALLY TO FUTURE TEST PERIOD FILINGS?

20 A. Yes, there are. Treasury Regulations issued under IRC § 167 govern the
21 determination of the amount of ADIT allowable as a rate base reduction in a future
22 test year. Specifically, Treasury Regulation § 1.167(l)-1 mandates special
23 “proration rules” when a future test period is used in determining rates, and the
24 newly determined rates are expected to be in effect for all or a portion of that test
25 period.

26

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1 **Q. DO THESE PRORATION RULES APPLY TO ALL ADIT BALANCES
2 INCLUDED IN RATE BASE?**

3 **A.** No, they do not. The proration rules only apply to depreciation-related ADIT.
4 Other ADIT balances are not required to be pro-rated.

5

6 **Q. PLEASE DISCUSS THESE FUTURE TEST PERIOD NORMALIZATION
7 REQUIREMENTS.**

8 **A.** Under Treasury Regulation § 1.167(l)-1, when a future test period is used to set
9 rates and the newly determined rates are expected to be in effect for all or a portion
10 of that test period, the utility plant ADIT additions in the portion of the test period
11 in which the new rates are expected to be in effect must be pro-rated.

12

13 In this filing, the future period is the year ending September 30, 2016. Collection
14 of the new rates is expected start on July 1, 2016. Therefore, the new rates are
15 expected to be in place for the last three months of the Test Period. As a result,
16 October 2015 through June 2016 utility plant ADIT additions are not pro-rated,
17 and July through September 2016 utility plant ADIT additions will be pro-rated.

18 Under the proration rules the utility plant ADIT additions are pro-rated, using a
19 ratio in which the numerator is the number of days remaining in the Test Period,
20 and the denominator is the number of days during which the new rates are
21 expected to be in effect in the Test Period. Because PNM closes its books on a
22 monthly basis, the proration is also done on a monthly basis. As a result, July

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1 2016 ADIT additions are pro-rated using a ratio of 61/92, August 2019 additions
2 are pro-rated by 31/92, and September 2016 ADIT additions are pro-rated by 1/92.

3

4 Q. ARE SIMILAR PRORATION RULES APPLICABLE TO THE
5 CALCULATION OF INCOME TAX EXPENSE IN A FUTURE TEST
6 PERIOD?

7 A. No. Income tax expense in a future test period is calculated in the same manner as
8 that calculated for a historic test period.

9

IX. BASE PERIOD ADJUSTMENTS

11 Q. WHAT PERIOD WAS USED TO DEVELOP THE BASE PERIOD AND
12 ADJUSTED BASE PERIOD ADIT AND TAX EXPENSE?

20

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1 Q. **WERE ADJUSTMENTS MADE TO ADIT IN THE BASE PERIOD?**

2 A. Yes. ADIT adjustments have been made in the Base Period where necessary to
3 synchronize ADIT with underlying rate base items. These include:

4 Model-Driven Calculations – ADIT balances that relate to regulatory assets
5 and liabilities (referenced “r”) and other rate base items (referenced “o”)
6 were trued-up to equal the balance of the underlying account multiplied by
7 the combined Federal and state tax rate at which ADIT is calculated. The
8 rate is 39.59% for activity before 2014, 39.42% for 2014 activity, and
9 39.20% for 2015 activity. These adjustments are shown on Rule 530
10 Schedule H-12, page 1, column G;

11 • ADIT balances for General Plant and Net Operating Loss carryforwards
12 are adjusted to reflect the corporate allocation adjustment to G&I Plant.
13 These adjustments are shown on Rule 530 Schedule H-12, page 1, column
14 J, referenced “c”.

15 • ADIT balances on certain regulatory assets and liabilities are adjusted to
16 synchronize with the adjustments to the underlying regulatory assets and
17 liabilities shown on PNM Exhibit HEM-3 COS Base Adj. The ADIT
18 accounts so adjusted were Coal Mine Decommissioning and DOE Spent
19 Fuel Refunds. These ADIT changes are shown on Rule 530 Schedule H-
20 12, page 1, column J, referenced “r”.

21 • ADIT balances on certain other rate base items are adjusted to synchronize
22 with the adjustments to the underlying assets and liabilities shown on PNM
23 Exhibit HEM-3 COS Base Adj. The ADIT accounts so adjusted were

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1 Asset Retirement Obligations and Palo Verde Dry Cask Storage, These
2 ADIT changes are shown on Rule 530 Schedule H-12, page 1, column J,
3 referenced “o”.

4

5 **Q. WERE ADJUSTMENTS MADE TO INCOME TAX EXPENSE IN THE
6 BASE PERIOD?**

7 **A.** Yes. Several items in the income tax expense calculation were trued-up to full-year
8 amounts. This is necessary because the effective tax rate methodology for interim
9 (quarterly) reporting required by GAAP does not recognize permanent differences
10 ratably (straight-line) over the year. Rather, it recognizes them proportionately as
11 pre-tax income is earned. Therefore, a mismatch between straight-line
12 amortization and the amount included in the effective rate may occur in the interim
13 periods. When the Base Period is other than a calendar year, a true-up will be
14 required to accurately reflect the full-year amounts.

15 The following amortizations were trued-up to a full year of amortization:

- 16 • Palo Verde Units 1 & 2 Gain Amortization Flow Through;
- 17 • Palo Verde Units 1 & 2 Prudence Audit Flow Through;
- 18 • Federal Grant Amortization – Renewables;
- 19 • Federal Grant Basis Adjustment – Renewables;
- 20 • Excess Payroll Tax and Average Rate Assumption Method (“ARAM”)
- 21 Excess Deferred Income Tax Reversals; and
- 22 • ITC Amortizations.

23

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- 1 Additionally, other known and measurable adjustments were made, including:
- 2 • The permanent difference for non-deductible meals was trued up to
3 accurately reflect 50% of the meals expense included in the Base Period
4 cost of service;
- 5 • The flow-through difference for equity AFUDC was trued up to accurately
6 reflect the actual equity AFUDC expensed in the Base Period;
- 7 • The Research & Development credit has been prorated to 75% of the 2014
8 credit to reflect the expiration of the credit on December 31, 2014.
9 Because the Base Period contains only 9 months for which the credit is in
10 effect, the credit must be adjusted accordingly;
- 11 • The New Mexico Solar Production Tax Credit has been adjusted, to reflect
12 75% of the actual 2014 credit and 25% of the expected 2015 credit;
- 13 • The Depreciation and Gain/Loss Flow-Throughs have been similarly
14 adjusted, to reflect 75% of the actual 2014 flow-through and 25% of the
15 expected 2015 flow-through; and
- 16 • The Eastern Interconnect Project and the Amortization of the EIP Prepaid
17 Tax Reversal have been adjusted to the actual amortizations for the Base
18 Period, reflective of the expiration of the lease and the corresponding
19 completion of the amortization period.
- 20

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1 **X. TEST PERIOD CALCULATIONS AND ADJUSTMENTS**

2 **Q. ARE THE ADIT, ITC, AND INCOME TAX EXPENSE CALCULATIONS
3 “FULLY FUNCTIONAL,” AS DESCRIBED IN THE FUTURE TEST
4 YEAR RULE?**

5 **A.** No, they are not. The complexity of the interaction between the income tax law,
6 GAAP reporting requirements, and regulatory requirements make fully functional
7 income tax, ITC, and ADIT calculations unfeasible in a Microsoft Excel model.
8 Changes to ADIT, ITC, or income tax expense adjustments (such as permanent
9 and flow-through book/tax differences and income tax credits) must be determined
10 outside the cost of service model and then manually input. Therefore, in
11 accordance with NMAC Rule 17.1.3.11, PNM will rerun the calculations
12 reasonably required by Staff or intervenors in order to capture the impact on the
13 proposed cost of service of any adjustments to ADIT or other income tax input.

14

15 **Q. HOW HAS PNM CALCULATED THE ADIT INCLUDED IN THE TEST
16 PERIOD COST OF SERVICE?**

17 The calculated incremental ADIT included in the Test Period revenue
18 requirements is calculated at the applicable combined Federal and state income tax
19 rates in effect for the Linkage and Test Periods. Those rates are 39.20% for 2015
20 activity, and 39.02% for 2016 activity. The state income tax component of the
21 combined rate is lower than that in effect for the Base Period and Adjusted Base
22 Period because of the New Mexico state income tax rate change discussed in

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1 Section XI of my testimony. The changes in ADIT are calculated by applying the
2 applicable tax rates to the changes in the underlying book/tax differences on rate
3 base accounts, be they plant-in-service, regulatory assets or liabilities, or other rate
4 base items. Additionally, certain ADIT accounts are adjusted for “tax-only”
5 differences, including Palo Verde licensing amortization, repairs deductions, NOL
6 carryforwards, ARAM reversals, and depreciation flow-throughs. All the Linkage
7 and Test Period adjustments are discussed in more detail below.

8

9 **Q. WHAT ADJUSTMENTS WERE MADE TO ADIT IN THE LINKAGE
10 AND TEST PERIOD?**

11 **A.** ADIT for the Linkage and Test Periods has been adjusted for the following:

- 12 • The IRS-required proration of depreciation-related ADIT discussed in
13 Section VII of this testimony. These adjustments are shown on Rule 530
14 Schedule H-12, page 2, column Q;
- 15 • ADIT balances for General Plant and Net Operating Loss carryforwards
16 are adjusted to reflect the Linkage and Test Period corporate allocation
17 adjustment to G&I Plant. These adjustments are included in the activity
18 shown on Rule 530 Schedule H-12, page 1, column L through page 2,
19 column P;
- 20 • The ADIT balance for pension has been adjusted to reflect the effect of the
21 Test Period adjustment to the prepaid pension asset. This adjustment is
22 shown on Rule 530 Schedule H-12, page 2, column S;

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- 1 • The ADIT balance for the TOU regulatory asset has been eliminated to
- 2 reflect the elimination of the regulatory asset itself. This adjustment is
- 3 shown on Rule 530 Schedule H-12, page 2, column S;
- 4 • ADIT balances on certain regulatory assets and liabilities are adjusted to
- 5 reflect Linkage and Test Period changes to the underlying assets and
- 6 liabilities. These adjustments are included in the activity shown on Rule
- 7 530 Schedule H-12, page 1, column L through page 2, column P;
- 8 • ADIT balances on certain other rate base items are adjusted to reflect
- 9 Linkage and Test Period changes to the underlying assets and liabilities.
- 10 These adjustments are included in the activity shown on Rule 530 Schedule
- 11 H-12, page 1, column L through page 2, column P;
- 12 • Depreciation ADIT has been updated to reflect both the depreciation ADIT
- 13 on Linkage and Test Period plant additions, as well as ongoing Linkage
- 14 and Test Period ADIT changes on assets in service at the end of the Base
- 15 Period. Depreciation ADIT has also been adjusted to reflect the effects of
- 16 Linkage and Test Period reversals of excess payroll tax, ARAM reversals,
- 17 repairs deductions, and depreciation flow-throughs. These adjustments are
- 18 included in the activity shown on Rule 530 Schedule H-12, page 1, column
- 19 L through page 2, column P;
- 20 • The NOL ADIT has been adjusted to reflect partial utilization of the net
- 21 operating loss carryforward based on the expected taxable income of PNM
- 22 in the linkage and test period. These adjustments are included in the

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1 activity shown on Rule 530 Schedule H-12, page 1, column L through page
2 2, column P;

- 3 • Debt AFUDC ADIT has been adjusted to reflect debt AFUDC accrued in
4 the Linkage and Test Period. These adjustments are included in the
5 activity shown on Rule 530 Schedule H-12, page 1, column L through page
6 2, column P; and
- 7 • Palo Verde Licensing ADIT, a tax-only amortization, is adjusted for
8 amortization in the linkage and test periods. These adjustments are
9 included in the activity shown on Rule 530 Schedule H-12, page 1, column
10 L through page 2, column P.

11

12 **Q. HOW HAS PNM CALCULATED THE INCOME TAX EXPENSE
13 INCLUDED IN THE TEST PERIOD REVENUE REQUIREMENTS?**

14 **A.** The calculated income tax expense included in the Test Period revenue requirements
15 is calculated at the applicable Federal and state income tax rates in effect for the test
16 period. The state income tax rate is lower than that in effect for the Base Period and
17 adjusted Base Period because of the New Mexico state income tax rate change
18 discussed in Section XI of my testimony. Because the Test Period spans calendar
19 years, a blended New Mexico rate must be used to determine state income tax
20 expense. The Test Period rate is 6.675%, equal to 25% of the 2015 rate of 6.9% and
21 75% of the 2016 rate of 6.6%. The income tax expense is calculated by applying the
22 applicable tax rates to the pre-tax income calculated in the cost-of-service, adjusted
23 for the applicable permanent and flow-through book/tax differences and applicable

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1 income tax credits. All the Test Period adjustments are discussed in more detail
2 below.

3

4 **Q. WHAT ADJUSTMENTS WERE MADE TO INCOME TAX EXPENSE IN
5 THE TEST PERIOD?**

6 **A.** The income tax expense calculation has been adjusted for the following:

- 7 • The permanent book/tax difference for non-deductible meals was trued up
8 to accurately reflect 50% of the meals expense included in the Test Period
9 cost of service.
- 10 • The permanent differences for AFUDC equity have been trued-up to equal
11 the expected Test Period accrual of AFUDC equity.
- 12 • The permanent differences for the EIP Gain Amortization and the PVNGS
13 Prudency Audit Decision have been eliminated because those items will
14 have been fully amortized prior to the Test Period.
- 15 • Depreciation flow-throughs have been recalculated for the Test Period
16 using updated book depreciation rates.
- 17 • The Gain/Loss flow-through has been eliminated in the Test Period.
- 18 • ITC amortization has been recalculated using the current estimated useful
19 lives for the Palo Verde and San Juan generating stations in accordance
20 with IRS normalization requirements that ITC be flowed through to
21 customers no faster than ratably over the life of the underlying assets.
- 22 • The R & D Credit has been eliminated in the Test Period because it expired
23 as of December 31, 2014.

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- 1 • The ARAM reversal of excess deferred income taxes has been recalculated
2 using the current estimated useful life for the San Juan generating station in
3 accordance with IRS normalization requirements.

4 The above changes are shown on Rule 530 Schedules H-9 and H-10.

5

6 **Q. ARE THERE ANY OTHER ADJUSTMENTS TO TEST PERIOD INCOME
7 TAX EXPENSE?**

8 **A.** Yes. PNM is requesting the establishment of a regulatory asset of \$2,145,449
9 associated with the impairment of state NOL carryforwards which occurred in the
10 Base Period. PNM is requesting recovery of the impairment over a 2-year period.
11 PNM is not seeking to include this regulatory asset in rate base. The amortization
12 of the regulatory asset is included in 530 Schedule H-9, line 65 and PNM Exhibit
13 HEM-3 COS Test, line 660.

14

15 **Q. WHAT WAS THE CAUSE OF THE IMPAIRMENT OF THE STATE
16 NOLS?**

17 **A.** GAAP rules require that the expected future utilization of deferred tax assets be
18 analyzed. If it is unlikely that the asset will reverse before it expires, then a
19 reserve liability against the ADIT asset must be established. When a NOL cannot
20 be fully utilized in the current year, and is carried forward, it creates an ADIT asset
21 that must be so analyzed. New Mexico NOLs incurred before 2013 could be
22 carried forward only 5 years. When 50% bonus tax depreciation was extended
23 retroactively for 2014, the reduction in taxable income in 2014 made it unlikely

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1 that PNM would be able to fully utilize 2010 New Mexico NOLs before they
2 expire in 2015. Therefore, an ADIT liability was established to impair the NOL
3 ADIT asset for the amount of NOL expected to expire unused. NOLs incurred
4 after 2012 have a 20-year carryforward, and are therefore very unlikely to expire
5 unused.

6

7 **Q. IS THE IMPAIRMENT CALCULATED ON A CONSOLIDATED OR A
8 STAND-ALONE BASIS?**

9 **A.** Although the total impairment is calculated on a consolidated basis, only the
10 portion allocable to PNM is included in the cost of service. The portion of the
11 impairment related to other companies in the consolidated group has been
12 excluded.

13

14 **Q. WHY SHOULD THE IMPAIRMENT EXPENSE BE INCLUDED IN THE
15 TEST PERIOD COST OF SERVICE?**

16 **A.** Customers benefit from bonus depreciation. The large tax deductions resulting
17 from bonus depreciation create an ADIT liability which reduces rate base, and
18 correspondingly reduces the revenue requirement. This benefit will be ongoing
19 and long-lasting. Because customers benefit in the long-term from bonus
20 depreciation, it is appropriate that they bear any cost resulting therefrom. That cost
21 is the New Mexico NOL impairment expense.

22

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1 **Q. HOW HAS PNM CALCULATED PROPERTY TAX RATES IN THE TEST
2 PERIOD REVENUE REQUIREMENT?**

3 **A.** For New Mexico assets, actual 2014 property tax rates were identified for San
4 Juan, Four Corners, Reeves, Afton, Luna, Lordsburg, and Algodones. A
5 composite rate for total New Mexico plant was also computed. These rates were
6 then escalated to estimate the 2015 and 2016 rates to be used in the Test Period
7 calculation of property tax expense. The escalation rate was determined by
8 calculating the average increase in New Mexico property tax rates over the years
9 2011-2014, expressed as a percentage of the rate. Each of the 2014 rates listed
10 above was escalated by this percentage to determine the estimated 2015 rate, and
11 again to determine the estimated 2016 rate. The Test Period includes 3 months at
12 the 2015 rate and 9 months at the 2106 rate. For Arizona assets, the actual 2014
13 rate was used as the estimated 2015 and 2016 rate, without escalation. Property
14 tax billings by Maricopa County for 2011 and 2012 used an incorrect rate, with a
15 large rate correction in 2013. Because of these factors, it would not be reasonable
16 to use an escalation calculation similar to that used for New Mexico. The
17 calculation of the 2015 and 2016 property tax rates is included in PNM Exhibit
18 HEM-3 WP GT-3.

19

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1 **XI. NEW MEXICO INCOME TAX RATE CHANGE**

2 **Q. PLEASE DISCUSS THE RECENT NEW MEXICO INCOME TAX RATE
3 CHANGE.**

4 **A.** In 2013, New Mexico House Bill 641 was signed into law. Among other things,
5 the bill amended 7-2A-5 NMSA 1978 to include prospective reductions in the
6 New Mexico corporate income tax rate. The rate reductions phase in over five
7 years beginning in 2014. The phase in and its effect on the combined Federal and
8 state income tax rate is as follows:

9

Rate	2013	2014	2015	2016	2017	2018
Federal	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
New Mexico	7.60%	7.30%	6.90%	6.60%	6.20%	5.90%
Combined	39.59%	39.42%	39.20%	39.02%	38.79%	38.62%

10

11 **Q. HOW DOES THE RATE CHANGE AFFECT THE COST OF SERVICE
12 CALCULATIONS?**

13 **A.** The state income tax rate used in calculating income tax expense is reduced from
14 the historic 7.60% to 7.0% in the Base and Adjusted Base Periods, and to 6.675%
15 in the Test Period, thereby reducing the amount of income tax expense included in
16 the cost of service. Additionally, incremental ADIT in the Test Period cost of
17 service is calculated at the tax rate in effect when the increment occurs (39.20% in
18 2015, 39.02% in 2016).

19

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1 **Q. WILL THE RATE CHANGE HAVE ANY OTHER EFFECTS?**

2 **A.** Yes, the rate reduction will result in what are known as excess deferred state
3 income taxes.

4

5 **Q. PLEASE EXPLAIN THE CONCEPT OF EXCESS DEFERRED INCOME
6 TAXES.**

7 **A.** When deferred taxes are recorded and included in income tax expense in the cost
8 of service, they are generally calculated at the rate in effect when the deferred tax
9 was created. For years, this rate has been 39.59% for PNM. These deferred taxes
10 create ADIT because they are not paid in the year the expense is recorded but in a
11 later year. As a result of the rate reduction, those deferred taxes will be paid at a
12 lower rate than that at which they were accrued. The difference between the
13 amount accrued and the amount expected to be paid at the lower rate is called
14 excess deferred income tax.

15

16 **Q. IS THE AMOUNT OF THE EXCESS DEFERRED INCOME TAXES
17 THAT RESULTS FROM THE NEW MEXICO TAX RATE CHANGE
18 KNOWN AT THIS TIME?**

19 **A.** No, it is not. The amount of the excess deferred income taxes will not be known
20 until the rate phase-in of the tax rate reduction is complete in 2018. This is
21 because it is the ADIT balances at that time that will ultimately be paid at the new
22 fully phased-in rate and those balances are not now known.

23

**DIRECT TESTIMONY OF
MATTHEW F. HARLAND
NMPRC CASE NO. 15-00261-UT**

1 Q. HOW DOES PNM PROPOSE TO TREAT THE EXCESS DEFERRED
2 INCOME TAXES?

3 A. Because the amount of the excess deferred state income taxes is not yet known,
4 PNM proposes to defer the amount and record a regulatory liability. This
5 regulatory liability would be fixed in amount in 2018 and returned to customers
6 over some time period which reasonably reflects the period over which the actual
7 deferred benefit of the lower rate will be realized by PNM. This period would be
8 determined in PNM's first rate case subsequent to the full phase-in of the tax rate
9 reduction in 2018. PNM proposes that ARAM, or a reasonable facsimile, be used
10 to determine the timing of the return to customers. This is the same mechanism
11 that the IRS required for the excess deferred income taxes created by the Federal
12 income tax rate reduction in the Tax Reform Act of 1986. This mechanism
13 protects customers, because the ADIT offset to rate base is not reduced by the
14 effect of the rate change until the excess deferred income taxes are returned to
15 customers through a reduction to income tax expense. Additionally, it protects the
16 Company by matching the timing of the return of the excess deferred income taxes
17 to customers with the timing of the actual cash benefit received by PNM as the
18 ADIT reverses at the future lower rate.

19

XII. CONCLUSIONS

21 Q. DO YOU HAVE ANY CONCLUDING OBSERVATIONS?

22 A. Yes, I do.

**DIRECT TESTIMONY OF
MATTHEW F. HARLAND
NMPRC CASE NO. 15-00261-UT**

- 1 • The ADIT and income tax expense included in the Base Period and Test
2 Period cost of service are fair and accurate based on the underlying rate
3 base and recoverable expenses included in the cost of service.
- 4 • The property tax rates used to determine Test Period property tax expense
5 are fair and accurate, based on prior years' rates.
- 6 • The calculations of tax expense and ADIT comply with all IRS
7 normalization requirements, including those related to accelerated tax
8 depreciation, NOLs, and CIAC. The Test Period adjustments to ITC
9 amortization and ARAM excess deferred income tax amortization ensure
10 compliance with the IRS normalization requirements for those items. The
11 Test Period proration of certain plant-related incremental ADIT ensures
12 compliance with the normalization requirements for future test periods.
- 13 • The income tax calculations are all done on a fully-normalized basis,
14 consistent with Commission precedent and past PNM filings.
- 15 • The income tax calculations are all done on a stand-alone company basis,
16 consistent with the Commission's decision in NMPRC Case No. 07-00077-
17 UT and past PNM filings.
- 18 • Finally, the amount of the excess deferred income taxes related to the
19 phased-in reduction in the New Mexico state income tax rate should be
20 determined in PNM's first rate case after 2018 when the tax rate reduction
21 will be fully phased-in, and should be returned to customers over a period
22 determined using ARAM or some reasonable facsimile thereof. The period

**DIRECT TESTIMONY OF
MATTHEW F. HARLAND
NMPRC CASE NO. 15-00261-UT**

1 should reasonably reflect the period over which the benefit will be realized
2 by PNM through the reversal of the affected ADIT.

3

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

5 **A. Yes.**

GCG#520261

Resume of Matthew F. Harland

PNM Exhibit MFH-1

Is contained in the following 3 pages.

MATTHEW F. HARLAND, CPA

EDUCATIONAL AND PROFESSIONAL SUMMARY

Employment:

PNM Resources, Inc. and affiliated companies:

Director of Taxation: 2010-Present
Director of Income Tax: 2008-2010
Senior Manager, Corporate Tax Projects: 2005-2008
Senior Manager, Corporate Tax Projects: 2002-2005
Senior Manager, Corporate Tax Projects: 2000-2002
Manager of Tax Planning: 1999-2000
Senior Tax Analyst: 1991-1999

KPMG Peat Marwick:

Income Tax Senior Accountant: 1989-1991
Income Tax Staff Accountant: 1987-1989

Education:

Master of Accountancy:

New Mexico State University, Las Cruces, NM: 1986

Bachelor of Arts in Economics:

Pomona College, Claremont, CA: 1983

Continuing Professional Education:

Tax and Accounting CPE as required by the New Mexico State Board of Public Accountancy

Certification:

Certified Public Accountant:

New Mexico: 1989-Present

Affiliations:

American Institute of CPAs: Tax Section member

Edison Electric Institute: Taxation Committee Chair & past Vice-Chair,
Tax Analysis & Research Subcommittee member

Energy Tax Council: Member

Tax Executives Institute: Member

New Mexico Tax Research Institute: Director

Association of Electric Companies of Texas: Tax Committee member

Testimony in Regulatory Proceedings:

Nature of Proceeding	Regulatory Body	Docket Number
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. 507.	NMPRC	14-00332-UT
In the Matter of the Application of Public Service Company of New Mexico for Approval to Abandon San Juan Generating Station Units 2 and 3, Issuance of Certificates of Public Convenience and Necessity for Replacement Power Resources, Issuance of Accounting Orders and Determination of Related Rate-Making Principles and Treatment.	NMPRC	13-00390-UT
In the Matter of the Application of Public Service Company of New Mexico for Approval of Renewable Energy Rider No. 36 Pursuant to Advice Notice No. 439 and for Variances from Certain Filing Requirements.	NMPRC	12-00007-UT
In the Matter of an Investigation into Public Service Company of New Mexico's Amendments to its Line Extension Policy made by its Advice Notice Nos. 428, 429, 50 and 51.	NMPRC	11-00430-UT
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.s 397 and 32 (former TNMP Services).	NMPRC	10-00086-UT
In the Matter of the Transfer of Public Service Company of New Mexico's Unamortized Accumulated Deferred Investment Tax Credit of its Gas Utility. (Private Letter Ruling)	NMPRC	08-00377-UT
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. 352.	NMPRC	08-00273-UT
In the Matter of the Applications of Public Service Company of New Mexico and New Mexico Gas Company, Inc. for the Abandonment, Purchase and Sale of the Gas Utility Assets and Services and for Related Authorizations and Variances.	NMPRC	08-00078-UT

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. 334.	NMPRC	07-00077-UT
In the Matter of the Petition of Public Service Company of New Mexico for a Revision to its Rates, Rules, and Charges pursuant to Advice Notice Nos 755 and 756.	NMPRC	06-00210-UT
In the Matter of the Petition of Public Service Company of New Mexico for a Revision to its Rates, Rules, and Charges pursuant to Advice Notice Nos 721 and 722.	NMPRC	03-00017-UT
Application of Texas New Mexico Power Company for Authority to Change Rates.	PUCT	38480
Application of Texas New-Mexico Power Company for Authority to Change Rates.	PUCT	36025
Application of Texas New-Mexico Power Company to Adjust Carrying Charges pursuant to P.U.C. Subst. R. 25.263.	PUCT	33106
Application of Texas-New Mexico Power Company to Establish a Competitive Transition Charge pursuant to P.U.C. Subst. R. 25.263(n).	PUCT	31994

ADIT Workpapers

PNM Exhibit MFH-2

Is contained in the following 129 pages.

A	B	C	D	E	
1	PNM Exhibit MFH-2				
2	ADIT - Lead Sheet				
4	Tab Reference	Description	Purpose	Provides Information To	Requires Information From
				Tab name	Tab name
5	<u>ADIT-1</u>	Schedule H-12 information	Schedule H-12 Information	None	WP ADIT 3
6	<u>ADIT-2</u>	Reconciliations	Reconciles total Base Period ADIT to both the FERC Filings and the General Ledger	None	WP ADIT-4 through WP ADIT-10
7	<u>ADIT-3</u>	Pivot Table of ADIT Balances	Summarizes Data on ADIT tab into rate case categories	WP ADIT-1	WP ADIT-1, WP ADIT-4
8	<u>ADIT-4</u>	ADIT balances and adjustments	Accumulates ADIT activity and adjustments made for the rate case	ADIT Pivot Table	All tabs listed below
9	<u>ADIT-5</u>	Allocation of Corporate depreciation ADIT	Calculates the portion of Company 7 & Company 8 depreciation ADIT to be allocated to PNM, based on the underlying plant allocation	WP ADIT-4	WP ADIT-4
10	<u>ADIT-6</u>	Solar property placed in service in 2011	Determines the portion of depreciation ADIT and NOL ADIT to be allocated to renewables for assets placed in service in 2011	WP ADIT-4	None
11	<u>ADIT-7</u>	Solar property placed in service in 2013	Determines the portion of depreciation ADIT and NOL ADIT to be allocated to renewables for assets placed in service in 2013	WP ADIT-4	None
12	<u>ADIT-8</u>	Solar property placed in service in 2014	Determines the portion of depreciation ADIT and NOL ADIT to be allocated to renewables for assets placed in service in 2014	WP ADIT-4	None
13	<u>ADIT-9</u>	Allocation of Depreciation ADIT to various categories	Summarizes and allocates the base period depreciation ADIT to the various rate case categories on Schedule H-12	WP ADIT-4	WP ADIT-5 through WP ADIT-10
14	<u>ADIT-10</u>	Other Rate Base balances	Calculates the ADIT balances to be included in rate base based on the inclusion of Other Rate Base items (Model Driven Calculations)	WP ADIT-4	None
15	<u>ADIT-11</u>	Regulatory Asset and Liability balances	Calculates the ADIT balances to be included in rate base based on the inclusion of Regulatory Assets and Liabilities (Model Driven Calculations)	WP ADIT-4	None
16	<u>ADIT-12</u>	Linkage and Test period depreciation ADIT	Provides the linkage and test period depreciation ADIT balances	WP ADIT-4	WP ADIT-4
17	<u>ADIT-13</u>	Reversal of prior depreciation flow-throughs	Provides the linkage and test period amounts for the reversal of prior depreciation flow-throughs	WP ADIT-4	None
18	<u>ADIT-14</u>	Average Rate Assumption Method excess deferred taxes	Provides the linkage and test period amounts for the reversal of excess deferred income taxes under the Average Rate Assumption Method	WP ADIT-4	None
19	<u>ADIT-15</u>	Linkage and Test AFUDC	Provides the linkage and test period amounts of AFUDC recorded to income	WP ADIT-4	None

A	X
1 PNM Exhibit MFH-2	
2 ADIT-1: Schedule H-12 Information	
3 Hyperlink to Lead Sheet	
4	
5	
6	
7	
ADIT Account	Reference
9 Injury & Damages	PNM Exhibit HEM-3 COS Test, Line 81
10 Palo Verde Gain 1 & 2	PNM Exhibit HEM-3 COS Test, Line 82
11 Alvarado Square Abandonment	PNM Exhibit HEM-3 COS Test, Line 83
12 Deferred Coal Costs	PNM Exhibit HEM-3 COS Test, Line 84
13 Renewable NOL Allocation	PNM Exhibit HEM-3 COS Test, Line 85
14 Palo Verde Construction Credits 1 & 2	PNM Exhibit HEM-3 COS Test, Line 86
15 Pension Qualified	PNM Exhibit HEM-3 COS Test, Line 87
16 Pension AMPP	PNM Exhibit HEM-3 COS Test, Line 88
17 Eastern Interconnect Project Gain	PNM Exhibit HEM-3 COS Test, Line 89
18 Line Extension Policy	PNM Exhibit HEM-3 COS Test, Line 90
19 Tax Capitalized Interest	PNM Exhibit HEM-3 COS Test, Line 91
20 Palo Verde Dry Cask Storage 1 & 2	PNM Exhibit HEM-3 COS Test, Line 92
21 Palo Verde Dry Cask Storage 3	PNM Exhibit HEM-3 COS Test, Line 93
22 Contributions in Aid of Construction	PNM Exhibit HEM-3 COS Test, Line 94
23 Palo Verde Prudence Audit 1 & 2	PNM Exhibit HEM-3 COS Test, Line 95
24 Coal Mine Decommissioning	PNM Exhibit HEM-3 COS Test, Line 96
25 Pollution Control Facilities 4 Corners	PNM Exhibit HEM-3 COS Test, Line 97
26 FERC Customer Depreciation	PNM Exhibit HEM-3 COS Test, Line 98
27 Liberalized Depreciation - Renewables	PNM Exhibit HEM-3 COS Test, Line 99
28 Liberalized Depreciation - Other	PNM Exhibit HEM-3 COS Test, Line 100
29 Liberalized Depreciation - Generation	PNM Exhibit HEM-3 COS Test, Line 101
30 Liberalized Depreciation - Distribution	PNM Exhibit HEM-3 COS Test, Line 102
31 Liberalized Depreciation - Transmission	PNM Exhibit HEM-3 COS Test, Line 103
32 Liberalized Depreciation - PV 3	PNM Exhibit HEM-3 COS Test, Line 104
33 Palo Verde Start-Up Amortization	PNM Exhibit HEM-3 COS Test, Line 105
34 Nuclear Fuel Amortization PV 1&2	PNM Exhibit HEM-3 COS Test, Line 106
35 Nuclear Fuel Amortization PV 3	PNM Exhibit HEM-3 COS Test, Line 107
36 Debt AFUDC	PNM Exhibit HEM-3 COS Test, Line 108
37 Pre-1981 Repair Allowance	PNM Exhibit HEM-3 COS Test, Line 109
38 Palo Verde Licensing Amortization	PNM Exhibit HEM-3 COS Test, Line 110
39 Asset Retirement Obligation	PNM Exhibit HEM-3 COS Test, Line 111
40 Afton Write-down	PNM Exhibit HEM-3 COS Test, Line 112
41 Loss on Reacquired Debt	PNM Exhibit HEM-3 COS Test, Line 113
42 Book Capitalized Interest	PNM Exhibit HEM-3 COS Test, Line 114
43 Prepaid Expenses	PNM Exhibit HEM-3 COS Test, Line 115
44 Net Operating Loss (NOL)	PNM Exhibit HEM-3 COS Test, Line 116
45 Deferred Federal Tax Credits	PNM Exhibit HEM-3 COS Test, Line 117
46 PCB Refinancing	PNM Exhibit HEM-3 COS Test, Line 118
47 LVGS Decommissioning	PNM Exhibit HEM-3 COS Test, Line 119
48 Renewable NM AETC	PNM Exhibit HEM-3 COS Test, Line 120
49 Rate Case Expense	PNM Exhibit HEM-3 COS Test, Line 121
50 TOU Reg asset/liab	PNM Exhibit HEM-3 COS Test, Line 122
51 DDE Spent Fuel Settlement	PNM Exhibit HEM-3 COS Test, Line 124
52	
53 Total ADIT	PNM Exhibit HEM-3 COS Test, Line 124
54	
55	
56	
57	
58	
59	
60	
61	

	A	B	C	D	E	F
1	PNM Exhibit MFH-2					
2	ADIT-2: Reconciliations to FERC Filings and G/L					
3	Hyperlink to Lead Sheet					Before MDC adj
4		3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015
5						
6	Total ADIT per ADIT Tab	(626,347,520)	(643,401,298)	(669,194,518)	(664,470,966)	(674,122,585)
7						
8	Per FERC Form 1 or 3Q					
9	Account 190	234,274,310	236,175,936	209,945,552	255,826,775	244,928,477
10	Account 281	(5,197,520)	(5,197,520)	(5,197,520)	(4,735,816)	(4,735,816)
11	Account 282	(735,512,048)	(750,037,985)	(754,641,048)	(794,924,629)	(797,170,157)
12	Account 283	(110,089,402)	(114,518,868)	(109,478,641)	(109,540,037)	(106,047,830)
13	Total ADIT per FERC Filings	(616,524,660)	(633,578,437)	(659,371,657)	(653,373,707)	(663,025,326)
14						
15	Difference ADIT Tab to FERC Filings	(9,822,860)	(9,822,861)	(9,822,861)	(11,097,259)	(11,097,259)
16	Reconciling Items					
17	Co C not included in FERC Filings	(9,822,869)	(9,822,869)	(9,822,869)	(11,097,268)	(11,097,268)
18	Unexplained Difference (Rounding)	9	8	8	9	9
19						
20						
21	Total ADIT Per G/L	(616,668,175)	(633,321,957)	(659,115,177)	(654,095,888)	(663,747,507)
22						
23	Difference ADIT Tab to G/L	(9,679,345)	(10,079,341)	(10,079,341)	(10,375,078)	(10,375,078)
24	Reconciling Items					
25	Fin 48 reserves against ADIT not recognized by FERC	(9,679,354)	(10,079,350)	(10,079,350)	(10,375,087)	(10,375,087)
26	Unexplained Difference (Rounding)	9	9	9	9	9

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit MFH-2								
2	ADIT-3: ADIT Pivot Table								
3	Hyperlink to Lead Sheet								
4	R = Included in base period rate base at book value								
5	RR = Renewable Rider								
6	M = Included in base period rate base at MDC value								
7									
8	N = NON-UTILITY								
9	X = Underlying acct not in rate base								
10	Z = Zero adjusted balance								
11									
12		Values							
13	Row Labels	Adj Bal 03/31/14	Adj Bal 06/30/14	Adj Bal 09/30/14	Adj Bal 12/31/14	Adj Bal 03/31/15	Reverse Book MDCs	Base MDC adj	Unadjusted Base
14	r	(576,284,890)	(590,611,706)	(623,807,828)	(610,213,062)	(630,746,753)			(630,746,753)
15	BOOK CAPITALIZED INTEREST	(7,041,923)	(7,041,923)	(7,041,923)	(7,457,359)	(7,457,359)			(7,457,359)
16	Liberalized Depreciation - Distribution	(181,854,387)	(184,495,775)	(187,137,163)	(193,702,304)	(195,576,970)			(195,576,970)
17	Liberalized Depreciation - Generation	(360,539,802)	(371,324,296)	(372,185,403)	(409,624,026)	(410,297,117)			(410,297,117)
18	Liberalized Depreciation - Transmission	(82,172,584)	(83,847,749)	(85,522,902)	(91,589,028)	(92,954,107)			(92,954,107)
19	LINE EXTENSION POLICY	957,131	957,131	957,131	957,131	957,131			957,131
20	PREPAID EXPENSES	(3,683,436)	(3,683,436)	(3,683,436)	(3,817,603)	(3,817,603)			(3,817,603)
21	AFTON WRITEDOWN	7,914,712	7,914,712	7,914,712	7,914,712	7,914,712			7,914,712
22	TAX CAPITALIZED INTEREST	22,465,640	22,774,966	23,454,583	21,527,523	22,148,898			22,148,898
23	Contributions In Aid of Construction	34,253,898	34,706,688	35,159,478	34,252,679	35,099,552			35,099,552
24	Pollution Control Facilities 4 Corners	(531,718)	(531,718)	(531,718)	(508,641)	(508,641)			(508,641)
25	FERC Customer Depreciation	1,263,292	1,263,292	1,263,292	1,260,187	1,260,187			1,260,187
26	Liberalized Depreciation - Other	(8,759,934)	(8,979,876)	(9,199,818)	12,235,715	10,737,339			10,737,339
27	Liberalized Depreciation - PV 3	(66,819,375)	(66,819,375)	(66,819,375)	(71,677,317)	(68,917,842)			(68,917,842)
28	Palo Verde Start-Up Amortization	250,026	250,026	250,026	250,026	250,026			250,026
29	Nuclear Fuel Amortization PV 1&2	5,765,043	5,765,043	5,765,043	6,360,182	6,360,182			6,360,182
30	Nuclear Fuel Amortization PV 3	2,882,522	2,882,522	2,882,522	3,180,091	3,180,091			3,180,091
31	Debt AFUDC	(18,284,964)	(18,702,297)	(19,119,630)	(19,506,553)	(20,121,286)			(20,121,286)
32	Pre-1981 Repair Allowance	(22,138,422)	(22,138,422)	(22,138,422)	(22,138,422)	(22,138,422)			(22,138,422)
33	Palo Verde Licensing Amortization	(4,307,634)	(4,307,634)	(4,307,634)	(4,486,841)	(4,486,841)			(4,486,841)
34	Net Operating Loss (NOL)	95,215,081	97,163,728	68,650,122	117,882,070	99,146,601			99,146,601
35	Deferred Federal Tax Credits	8,881,943	7,582,687	7,582,687	8,474,716	8,474,716			8,474,716
36	RR	(3,968,426)	(4,486,678)	(5,002,085)	(14,511,624)	(6,407,622)	(1,599,623)	1,580,648	(6,426,597)
37	Liberalized Depreciation - Renewables	(37,235,978)	(37,352,368)	(37,469,283)	(46,470,165)	(46,876,599)			(46,876,599)
38	Renewable NOL Allocation	31,591,438	31,189,576	30,791,084	30,358,918	38,869,355			38,869,355
39	Renewable NM AETC	1,676,114	1,676,114	1,676,114	1,599,623	1,599,623	(1,599,623)	1,580,648	1,580,648
40	M	(90,589,527)	(89,986,591)	(86,801,730)	(96,672,597)	(94,628,796)	94,628,796	(40,892,286)	(40,892,286)
41	ALVARADO SQUARE ABANDONMENT	(1,575,258)	(1,575,258)	(1,575,258)	(1,575,258)	(1,575,258)	(1,518,271)	(1,518,271)	(1,518,271)
42	ASSET RETIREMENT OBLIGATION	14,506,482	14,010,570	13,514,658	13,774,265	13,410,011	(13,410,011)	41,650,154	41,650,154
43	DEFERRED COAL COSTS	(1,424,317)	(1,151,472)	(876,651)	(600,126)	(500,085)	500,085	(500,112)	(500,112)
44	DOE SPENT FUEL SETTLEMENT	117,360	117,360	2,427,106	2,200,312	3,404,831	(3,404,831)	2,224,257	2,224,257
45	INJURY & DAMAGES	1,961,250	1,961,250	1,961,250	1,859,502	1,859,502	(1,859,502)	3,266,262	3,266,262
46	PCB REFINANCING	(4,523,431)	(4,523,431)	(4,523,431)	(4,105,194)	(4,022,454)	4,022,454	(6,434,838)	(6,434,838)
47	RATE CASE EXPENSE	(596,818)	(574,853)	(563,125)	(739,224)	(859,333)	859,333	(375,240)	(375,240)
48	RENEWABLE ENERGY EXPENSES	-	-	-	-	-	-	-	-
49	LOSS ON REACQUIRED DEBT	(3,989,294)	(4,243,717)	(4,243,717)	(4,174,904)	(4,174,904)	4,174,904	(3,289,195)	(3,289,195)
50	PENSION AMPP	-	-	-	-	-	-	2,624,524	2,624,524
51	Pension Qualified	(98,553,163)	(98,141,807)	(97,730,448)	(109,371,067)	(109,098,101)	109,098,101	(71,603,813)	(71,603,813)
52	Eastern Interconnect Project Gain	194,348	194,348	194,348	27,764	27,764	(27,764)	(0)	(0)
53	Palo Verde Construction Credits 1 & 2	87,867	87,867	87,867	59,849	59,849	(59,849)	105,688	105,688
54	Palo Verde Dry Cask Storage 1 & 2	4,764,340	4,774,734	4,811,142	4,883,462	4,902,390	(4,902,390)	3,289,053	3,289,053
55	Palo Verde Gain 1 & 2	533,207	533,207	533,207	533,207	533,207	(533,207)	217,133	217,133
56	Palo Verde Dry Cask Storage 3	-	-	-	-	-	-	1,613,458	1,613,458

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit MFH-2								
2	ADIT-3: ADIT Pivot Table								
3	Hyperlink to Lead Sheet								
4	R = Included in base period rate base at book value								
5	RR = Renewable Rider								
6	M = included in base period rate base at MDC value								
7									
8	N = NON-UTILITY								
9	X = Underlying acct not in rate base								
10	Z = Zero adjusted balance								
11									
12	Values								
13	Row Labels	Adj Bal 03/31/14	Adj Bal 06/30/14	Adj Bal 09/30/14	Adj Bal 12/31/14	Adj Bal 03/31/15	Reverse Book MDCs	Base MDC adj	Unadjusted Base
57	Palo Verde Prudence Audit 1 & 2	2,797	2,797	2,797	(68,222)	(68,222)	68,222	24,053	24,053
58	Coal Mine Decommissioning	(2,479,301)	(1,842,590)	(1,205,879)	190,985	1,039,955	(1,039,955)	(12,630,200)	(12,630,200)
59	LVG5 Decommissioning	384,404	384,404	384,404	432,052	432,052	(432,052)	444,802	444,802
60	TOU Reg asset/lab								
61	N	(10,570,294)	(10,945,419)	(9,572,201)	(11,337,737)	(12,323,944)			(12,323,944)
62	FEDERAL TAX CORRECTION	(59,937)	(59,937)	(59,937)	(59,937)	(59,937)			(59,937)
63	GAS PLANT DECOMM 5 FE	(154,244)	(154,244)	(154,244)	(166,093)	(166,093)			(166,093)
64	HEDGE LOSS	457,060	457,060	457,060	457,060	457,060			457,060
65	PVNG5 DECOMM NON UTILITY	(15,270,486)	(15,645,611)	(14,272,393)	(16,387,525)	(17,373,732)			(17,373,732)
66	MISC NON OPERATING	525,214	525,214	525,214	525,214	525,214			525,214
67	NINE MILE TAP	71,888	71,888	71,888	25,870	25,870			25,870
68	LIBERALIZED DEPRECIATION NONOP	3,860,211	3,860,211	3,860,211	4,267,674	4,267,674			4,267,674
69	X	55,065,618	52,629,096	55,989,326	68,264,053	69,984,529			69,984,529
70	ACCRUED ILLNESS	302,627	302,627	302,627	302,627	302,627			302,627
71	ACCRUED VACATION	2,488,470	2,488,470	2,488,470	2,479,298	2,479,298			2,479,298
72	ALVARADO SQUARE	467,253	467,253	467,253	467,253	467,253			467,253
73	BAD DEBT ALLOWANCE	(54,573)	(54,573)	(54,573)	(54,573)	(54,573)			(54,573)
74	BIOMASS	(103,801)	(103,801)	(103,801)	(103,801)	(103,801)			(103,801)
75	BONUS ACCRUAL	(700,133)	(700,133)	(700,133)	(700,133)	(700,133)			(700,133)
76	COMPENSATION EXPENSE	(3,538,694)	(3,756,248)	(3,136,969)	(2,888,210)	(3,782,051)			(3,782,051)
77	DEBT ISSUANCE COST	(48,311)	(48,311)	(48,311)	(20,149)	(20,149)			(20,149)
78	EFFECT OF NM TAX RATE	447,055	447,055	447,055	447,055	499,981			499,981
79	ENERGY EFFICIENCY	1,430,952	1,430,952	1,430,952	1,430,952	1,430,952			1,430,952
80	ENVIRONMENTAL LIABILITY	5,622	5,622	5,622	5,622	5,622			5,622
81	EXTENDED LEAVE	41,117	41,117	41,117	28,581	28,581			28,581
82	FAS 109	14,342,603	14,342,603	14,342,603	12,590,455	10,637,313			10,637,313
83	FIN 48 INTEREST	(1,696,145)	(1,696,145)	(1,696,145)	(1,507,216)	(1,507,216)			(1,507,216)
84	FUEL CLAUSE ADJUSTMENT	(18,854,993)	(23,218,878)	(18,972,943)	(17,294,303)	(11,788,435)			(11,788,435)
85	GAIN REACQUIRED DEBT	(212,774)	(212,774)	(212,774)	(212,774)	(212,774)			(212,774)
86	GENERAL RESERVE	824,674	824,674	824,674	1,002,965	1,002,965			1,002,965
87	HI VOLTAGE RESERVE	2,485,857	2,485,857	2,485,857	2,485,857	2,485,857			2,485,857
88	INCENTIVE PAY PLANS	2,746,722	2,746,722	2,746,722	2,777,916	2,777,916			2,777,916
89	MARK TO MARKET	42,604,098	42,079,590	41,121,291	45,356,118	42,601,080			42,601,080
90	NM SOLAR ENERGY CENTER	34,056	34,056	34,056	119,094	119,094			119,094
91	PENSION VALUATION ALLOWANCE	3,903,079	3,903,079	3,903,079	3,903,079	3,903,079			3,903,079
92	PREPAID RENT REVENUE	26,795	26,795	26,795	(1,175)	(1,175)			(1,175)
93	PROPERTY TAX RESERVE	(261,552)	63,534	63,534	63,534	63,534			63,534
94	PV INCENTIVE PROGRAM	442,130	583,063	657,916	(652,293)	378,040			378,040
95	RATE RIDER	(2,625)	(380,406)	(380,406)	(368,771)	(368,771)			(368,771)
96	REGULATORY RESERVE	(5,938)	(5,938)	(5,938)	(5,938)	(5,938)			(5,938)
97	RENEWABLE CREDITS	14,407,752	14,407,752	14,407,752	27,564,601	27,564,601			27,564,601
98	RENEWABLE ENERGY CERTIFICATES	(4,340,274)	(3,602,907)	(1,960,675)	(1,296,927)	(711,930)			(711,930)
99	Renewable Rider	502,963	502,963	502,963	425,588	372,458			372,458

	A	B	C	D	E	F	G	H	I	
1	PNM Exhibit MFH-2									
2	ADIT-3: ADIT Pivot Table									
3	Hyperlink to Lead Sheet									
4	R = Included in base period rate base at book value									
5	RR = Renewable Rider									
6	M = Included in base period rate base at MDC value									
7										
8	N = NON-UTILITY									
9	X = Underlying acct not in rate base									
10	Z = Zero adjusted balance									
11										
12		Values								
13	Row Labels		Adj Bal 03/31/14	Adj Bal 06/30/14	Adj Bal 09/30/14	Adj Bal 12/31/14	Adj Bal 03/31/15	Reverse Book MDCs	Base MDC adj	Unadjusted Base
100	REVENUE SUBJECT TO REFUND	377,056	546,811	749,476	323,768	375,036			375,036	
101	ROW RESERVE	(18,081)	(18,081)	(18,081)	(37,832)	(37,832)			(37,832)	
102	SIERRA CLUB									
103	SJGS GROUNDWATER RESERVE	55,248	55,248	55,248	117,699	117,699			117,699	
104	SUN REFINANCING	(3,129,478)	(2,464,014)	(2,464,014)	(2,170,925)	(2,099,670)			(2,099,670)	
105	TRI STATE RIGHT OF WAY	(7,918)	(7,918)	(7,918)	(7,918)	(7,918)			(7,918)	
106	UNREALIZED GAIN ON ENERGY TRADING	1,136,672	1,304,634	21,688	(2,515,658)	(1,841,732)			(1,841,732)	
107	WAGES	316,777	526,081	526,081	334,809	334,809			334,809	
108	WORKERS COMP	1,614,738	1,614,738	1,614,738	1,143,371	1,143,371			1,143,371	
109	RATE RIDER 12	513,384	513,384	513,384	513,384	513,384			513,384	
110	OTHER LEGAL ACCRUALS	(626,922)	(626,922)	(626,922)	(637,763)	(637,763)			(637,763)	
111	SELF INSURANCE	355,612	355,612	355,612	255,941	255,941			255,941	
112	STATE AND LOCAL TAX RESERVE	58,797	58,797	58,797	58,797	58,797			58,797	
113	NAVAJO WORKFORCE TRAINING	237,534	237,534	237,534	237,872	237,872			237,872	
114	SJGS AUDIT RESERVES	272,942	1,340,740	16,967	16,967	16,967			16,967	
115	SJ RECLAMATION TRUST	20,594	20,594	20,594	118,395	118,395			118,395	
116	FAS 115	(932,021)	(932,021)	(932,021)	(932,021)	(932,021)			(932,021)	
117	SO2 ALLOWANCE CREDITS	307,258	32,587	32,587	32,661	32,661			32,661	
118	SCR DEFERRED EXPENSES	(2,059,717)	(2,221,509)	(2,083,225)	(1,545,027)	(1,708,675)			(1,708,675)	
119	OTHER POST EMPLOYMENT BENEFITS	(1,110,869)	(1,110,869)	(1,110,869)	(2,813,830)	(3,245,128)			(3,245,128)	
120	PVNGS #2 CARRYING COSTS	-	-	-	-	-			-	
121	FOUR CORNERS SURTAX SETTLEMENT	-	-	-	185,668	185,668			185,668	
122	EPA BART ALTERNATIVE DEFERRED EXPENSES	-	-	-	(758,637)	(758,637)			(758,637)	
123	Z	-	-	-	-	-			-	
124	Zero Balance	-	-	-	-	-			-	
125	Grand Total	(626,347,520)	(643,401,298)	(669,194,518)	(664,470,966)	(674,122,585)	93,029,173	(39,311,639)	(620,405,051)	
126										
127										
128										
129										
130										
131										
132	Per ADIT sheet	(626,347,520)	(643,401,298)	(669,194,518)	(664,470,966)	(674,122,585)	93,029,173	(39,311,639)	(620,405,051)	
133	Difference	-	-	-	-	-	-	-	-	
134										
135	Per H-12	(670,842,844)	(685,084,975)	(715,611,643)	(721,397,283)	(731,783,171)	53,717,534		(678,065,636)	
136	Rate base including renewables & mdc's, above	(670,842,844)	(685,084,975)	(715,611,643)	(721,397,283)	(731,783,171)	93,029,173	(39,311,639)	(678,065,636)	
137	Difference	-	-	-	-	-	(39,311,639)	39,311,639	-	
138							these columns combined on H-12			

	A	J	K	L	M	N	O	P	Q
1	PNM Exhibit MFH-2								
2	ADIT-3: ADIT Pivot Table								
3	Hyperlink to Lead Sheet								
4	R = Included in base period rate base at book value								
5	RR = Renewable Rider								
6	M = Included in base period rate base at MDC value								
7									
8	N = NON-UTILITY								
9	X = Underlying acct not in rate base								
10	Z = Zero adjusted balance								
11									
12									
13	Row Labels	Base Adjustments	Adjusted Base	Adj. Bal 06/30/15	Adj Bal 09/30/15	Adj Bal 12/31/15	Adj Bal 03/31/16	Adj Bal 06/30/16	Adj Bal 09/30/16
14	r	(8,070,058)	(638,816,811)	(646,096,487)	(672,023,386)	(640,402,068)	(638,682,923)	(646,121,824)	(680,908,063)
15	BOOK CAPITALIZED INTEREST		(7,457,359)	(7,457,359)	(7,457,359)	(7,457,359)	(7,457,359)	(7,457,359)	(7,457,359)
16	Liberalized Depreciation - Distribution		(195,576,970)	(195,798,475)	(196,126,474)	(196,567,177)	(196,439,496)	(196,357,615)	(196,360,065)
17	Liberalized Depreciation - Generation		(410,297,117)	(412,191,808)	(414,117,765)	(422,240,953)	(426,924,989)	(431,438,326)	(436,008,891)
18	Liberalized Depreciation - Transmission		(92,954,107)	(93,409,720)	(93,861,879)	(94,421,211)	(94,667,783)	(95,032,540)	(95,504,358)
19	LINE EXTENSION POLICY		957,131	957,131	957,131	957,131	957,131	957,131	957,131
20	PREPAID EXPENSES		(3,817,603)	(3,817,603)	(3,817,603)	(3,817,603)	(3,817,603)	(3,817,603)	(3,817,603)
21	AFTON WRITEDOWN		7,914,712	7,914,712	7,914,712	7,914,712	7,914,712	7,914,712	7,914,712
22	TAX CAPITALIZED INTEREST		22,148,898	22,148,898	22,148,898	22,148,898	22,148,898	22,148,898	22,148,898
23	Contributions In Aid of Construction		35,099,552	35,099,552	35,099,552	35,099,552	35,099,552	35,099,552	35,099,552
24	Pollution Control Facilities 4 Corners		(508,641)	(569,152)	(629,662)	(690,173)	(739,846)	(789,519)	(839,192)
25	FERC Customer Depreciation		1,260,187	1,270,510	1,280,832	1,291,155	1,297,720	1,304,286	1,310,851
26	Liberalized Depreciation - Other	(9,159,924)	1,577,415	2,514,922	3,165,097	3,226,002	4,425,117	5,557,201	6,549,522
27	Liberalized Depreciation - PV 3		(68,917,842)	(68,750,150)	(68,604,178)	(68,476,292)	(68,300,317)	(68,130,564)	(67,974,775)
28	Palo Verde Start-Up Amortization		250,026	250,026	250,026	250,026	250,026	250,026	250,026
29	Nuclear Fuel Amortization PV 1&2		6,360,182	7,180,091	7,832,581	7,944,706	9,031,064	9,507,751	10,368,191
30	Nuclear Fuel Amortization PV 3		3,180,091	3,407,300	3,877,800	4,127,093	4,644,157	5,072,054	5,415,259
31	Debt AFUDC		(20,121,286)	(21,603,630)	(23,474,342)	(25,627,370)	(26,538,434)	(27,363,189)	(27,664,787)
32	Pre-1981 Repair Allowance		(22,138,422)	(22,138,422)	(22,138,422)	(22,138,422)	(22,138,422)	(22,138,422)	(22,138,422)
33	Palo Verde Licensing Amortization		(4,486,841)	(4,666,048)	(4,739,074)	(4,744,258)	(4,749,441)	(4,754,625)	(4,759,808)
34	Net Operating Loss (NOL)	1,089,866	100,236,466	95,088,023	71,942,028	114,344,760	118,847,675	114,977,102	83,233,832
35	Deferred Federal Tax Credits		8,474,716	8,474,716	8,474,716	8,474,716	8,474,716	8,369,225	8,369,225
36	RR		(6,426,597)	(7,244,883)	(8,082,367)	(46,220,397)	(45,779,114)	(45,337,831)	(44,972,349)
37	Liberalized Depreciation - Renewables		(46,876,599)	(47,175,077)	(47,473,555)	(47,763,013)	(47,321,730)	(46,880,446)	(46,439,163)
38	Renewable NOL Allocation		38,869,355	38,349,547	37,848,572	-	-	-	-
39	Renewable NM AETC		1,580,648	1,580,648	1,542,616	1,542,616	1,542,616	1,542,616	1,466,814
40	M	(31,613,033)	(72,505,319)	(72,505,319)	(73,229,732)	(73,229,732)	(73,229,732)	(73,229,732)	(70,162,686)
41	ALVARADO SQUARE ABANDONMENT		(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	(1,218,644)
42	ASSET RETIREMENT OBLIGATION	(35,449,393)	6,200,761	6,200,761	5,742,650	5,742,650	5,742,650	5,742,650	6,485,405
43	DEFERRED COAL COSTS	-	(500,112)	(500,112)	(292,896)	(292,896)	(292,896)	(292,896)	0
44	DOE SPENT FUEL SETTLEMENT	(8,717)	2,215,541	2,215,541	2,215,540	2,215,540	2,215,540	2,215,540	1,115,544
45	INJURY & DAMAGES	-	3,266,262	3,266,262	3,266,262	3,266,262	3,266,262	3,266,262	3,266,262
46	PCB REFINANCING	-	(6,434,838)	(6,434,838)	(6,269,327)	(6,269,327)	(6,269,327)	(6,269,327)	(5,939,444)
47	RATE CASE EXPENSE	-	(375,240)	(975,240)	(1,583,094)	(1,583,094)	(1,583,094)	(1,583,094)	(795,131)
48	RENEWABLE ENERGY EXPENSES	-	-	-	-	-	-	-	-
49	LOSS ON REACQUIRED DEBT	-	(3,289,195)	(3,289,195)	(3,212,540)	(3,212,540)	(3,212,540)	(3,212,540)	(3,059,757)
50	PENSION AMPP	-	2,624,524	2,624,524	2,574,139	2,574,139	2,574,139	2,574,139	2,466,832
51	Pension Qualified	-	(71,603,813)	(71,603,813)	(71,287,114)	(71,287,114)	(71,287,114)	(71,287,114)	(70,071,216)
52	Eastern Interconnect Project Gain	-	(0)	(0)	(0)	(0)	(0)	(0)	(0)
53	Palo Verde Construction Credits 1 & 2	-	105,688	105,688	91,757	91,757	91,757	91,757	63,992
54	Palo Verde Dry Cask Storage 1 & 2	(3,289,053)	0	0	0	0	0	0	0
55	Palo Verde Gain 1 & 2	-	217,133	217,133	188,692	188,692	188,692	188,692	155,882
56	Palo Verde Dry Cask Storage 3	(1,613,458)	(0)	(0)	(0)	(0)	(0)	(0)	(0)

	A	J	K	L	M	N	O	P	Q	
1	PNM Exhibit MFH-2									
2	ADIT-3: ADIT Pivot Table									
3	HyperLink to Lead Sheet									
4	R = Included in base period rate base at book value									
5	RR = Renewable Rider									
6	M = Included in base period rate base at MDC value.									
7										
8	N = NON-UTILITY									
9	X = Underlying acct not in rate base									
10	Z = Zero adjusted balance									
11										
12										
13	Row Labels	Base Adjustments	Adjusted Base	Adj. Bal 06/30/15	Adj Bal 09/30/15	Adj Bal 12/31/15	Adj Bal 03/31/16	Adj Bal 06/30/16	Adj Bal 09/30/16	
100	REVENUE SUBJECT TO REFUND		375,036	375,036	375,036	375,036	375,036	375,036	375,036	
101	ROW RESERVE		(37,832)	(37,832)	(37,832)	(37,832)	(37,832)	(37,832)	(37,832)	
102	SIERRA CLUB									
103	SIGS GROUNDWATER RESERVE		117,699	117,699	117,699	117,699	117,699	117,699	117,699	
104	SUN REFINANCING		(2,099,670)	(2,099,670)	(2,099,670)	(2,099,670)	(2,099,670)	(2,099,670)	(2,099,670)	
105	TRI STATE RIGHT OF WAY		(7,918)	(7,918)	(7,918)	(7,918)	(7,918)	(7,918)	(7,918)	
106	UNREALIZED GAIN ON ENERGY TRADING		(1,841,732)	(1,841,732)	(1,841,732)	(1,841,732)	(1,841,732)	(1,841,732)	(1,841,732)	
107	WAGES		334,809	334,809	334,809	334,809	334,809	334,809	334,809	
108	WORKERS COMP		1,143,371	1,143,371	1,143,371	1,143,371	1,143,371	1,143,371	1,143,371	
109	RATE RIDER 12		513,384	513,384	513,384	513,384	513,384	513,384	513,384	
110	OTHER LEGAL ACCRUALS		(637,763)	(637,763)	(637,763)	(637,763)	(637,763)	(637,763)	(637,763)	
111	SELF INSURANCE		255,941	255,941	255,941	255,941	255,941	255,941	255,941	
112	STATE AND LOCAL TAX RESERVE		58,797	58,797	58,797	58,797	58,797	58,797	58,797	
113	NAVAJO WORKFORCE TRAINING		237,872	237,872	237,872	237,872	237,872	237,872	237,872	
114	SIGS AUDIT RESERVES		16,967	16,967	16,967	16,967	16,967	16,967	16,967	
115	SI RECLAMATION TRUST		118,395	118,395	118,395	118,395	118,395	118,395	118,395	
116	FAS 115		(932,021)	(932,021)	(932,021)	(932,021)	(932,021)	(932,021)	(932,021)	
117	SD2 ALLOWANCE CREDITS		32,661	32,661	32,661	32,661	32,661	32,661	32,661	
118	SCR DEFERRED EXPENSES		(1,708,675)	(1,708,675)	(1,708,675)	(1,708,675)	(1,708,675)	(1,708,675)	(1,708,675)	
119	OTHER POST EMPLOYMENT BENEFITS		(3,245,128)	(3,245,128)	(3,245,128)	(3,245,128)	(3,245,128)	(3,245,128)	(3,245,128)	
120	PVNGS #2 CARRYING COSTS									
121	FOUR CORNERS SURTAX SETTLEMENT		185,668	185,668	185,668	185,668	185,668	185,668	185,668	
122	EPA BART ALTERNATIVE DEFERRED EXPENSES		(758,637)	(758,637)	(758,637)	(758,637)	(758,637)	(758,637)	(758,637)	
123	Z									
124	Zero Balance									
125	Grand Total		(39,683,091)	(660,088,143)	(668,186,104)	(695,674,900)	(702,191,612)	(700,031,184)	(707,028,801)	(738,382,512)
126										
127										
128										
129										
130										
131										
132	Per ADIT sheet		(39,683,091)	(660,088,143)	(668,186,104)	(695,674,900)	(702,191,612)	(700,031,184)	(707,028,801)	(738,382,512)
133	Difference		-	-	-	-	-	-	-	
134										
135	Per H-12		(39,683,091)	(717,748,725)		(753,335,485)	(759,852,197)	(757,691,769)	(764,689,386)	(796,043,097)
136	Rate base including renewables & mdc's, above		(39,683,091)	(717,748,728)		(753,335,485)	(759,852,197)	(757,691,769)	(764,689,386)	(796,043,097)
137	Difference		-	3	-	-	-	-	-	
138					Not shown on H-12					

	A	R	S	T
1	PNM Exhibit MFH-2			
2	ADIT-3: ADIT Pivot Table			
3	Hyperlink to Lead Sheet			
4	R = Included in base period rate base at book value			
5	RR = Renewable Rider			
6	M = Included in base period rate base at MDC value			
7				
8	N = NON-UTILITY			
9	X = Underlying acct not in rate base			
10	Z = Zero adjusted balance			
11				
12				
13	Row Labels	IRS Proration	Test Adjustments	Adjusted Test
14	R	2,070,507		(678,837,556)
15	BOOK CAPITALIZED INTEREST			(7,457,359)
16	Liberalized Depreciation - Distribution	7,593		(196,352,472)
17	Liberalized Depreciation - Generation	3,038,282		(432,970,608)
18	Liberalized Depreciation - Transmission	321,601		(95,182,757)
19	LINE EXTENSION POLICY			957,131
20	PREPAID EXPENSES			(3,817,603)
21	AFTON WRITEDOWN			7,914,712
22	TAX CAPITALIZED INTEREST			22,148,898
23	Contributions In Aid of Construction			35,099,552
24	Pollution Control Facilities 4 Corners	32,935		(806,257)
25	FERC Customer Depreciation	(4,353)		1,306,498
26	Liberalized Depreciation - Other	(652,436)		5,897,085
27	Liberalized Depreciation - PV 3	(100,572)		(68,075,347)
28	Palo Verde Start-Up Amortization			250,026
29	Nuclear Fuel Amortization PV 1&2	(563,174)		9,805,017
30	Nuclear Fuel Amortization PV 3	(209,342)		5,205,916
31	Debt AFUDC	199,973		(27,464,814)
32	Pre-1981 Repair Allowance			(22,138,422)
33	Palo Verde Licensing Amortization			(4,759,808)
34	Net Operating Loss (NOL)			83,233,832
35	Deferred Federal Tax Credits			8,369,225
36	RR	(292,590)		(45,264,939)
37	Liberalized Depreciation - Renewables	(292,590)		(46,731,753)
38	Renewable NOL Allocation			
39	Renewable NM AETC			1,466,814
40	M	8,746,574		(61,416,111)
41	ALVARADO SQUARE ABANDONMENT			(1,218,644)
42	ASSET RETIREMENT OBLIGATION			6,485,405
43	DEFERRED COAL COSTS			0
44	DOE SPENT FUEL SETTLEMENT			1,115,544
45	INJURY & DAMAGES			3,266,262
46	PCB REFINANCING			(5,939,444)
47	RATE CASE EXPENSE			(795,131)
48	RENEWABLE ENERGY EXPENSES			
49	LOSS ON REACQUIRED DEBT			(3,059,757)
50	PENSION AMPP			2,466,832
51	Pension Qualified	8,697,406		(61,373,811)
52	Eastern Interconnect Project Gain			(0)
53	Palo Verde Construction Credits 1 & 2			63,992
54	Palo Verde Dry Cask Storage 1 & 2			0
55	Palo Verde Gain 1 & 2			155,882
56	Palo Verde Dry Cask Storage 3			(0)

	A	R	S	T
1	PNM Exhibit MFH-2			
2	ADIT-3: ADIT Pivot Table			
3	Hyperlink to Lead Sheet			
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5	RR = Renewable Rider			
6	M = Included in base period rate base at MDC value			
7				
8	N = NON-UTILITY			
9	X = Underlying acct not in rate base			
10	Z = Zero adjusted balance			
11				
12				
13	Row Labels	IRS Proration	Test Adjustments	Adjusted Test
57	Palo Verde Prudence Audit 1 & 2			
58	Coal Mine Decommissioning	-	(2,821,787)	
59	LVGS Decommissioning	-	238,546	
60	TOU Reg asset/lab	49,169	-	
61	N		(12,323,944)	
62	FEDERAL TAX CORRECTION		{59,937}	
63	GAS PLANT DECOMM S FE		{166,093}	
64	HEDGE LOSS		457,060	
65	PVNGS DECOMM NON UTILITY		(17,373,732)	
66	MISC NON OPERATING		525,214	
67	NINE MILE TAP		25,870	
68	LIBERALIZED DEPRECIATION NONOP		4,267,674	
69	X		69,984,529	
70	ACCRUED ILLNESS		302,627	
71	ACCRUED VACATION		2,479,298	
72	ALVARADO SQUARE		467,253	
73	BAD DEBT ALLOWANCE		{54,573}	
74	BIOMASS		(103,801)	
75	BONUS ACCRUAL		{700,133}	
76	COMPENSATION EXPENSE		(3,782,051)	
77	DEBT ISSUANCE COST		(20,149)	
78	EFFECT OF NM TAX RATE		499,981	
79	ENERGY EFFICIENCY		1,430,952	
80	ENVIRONMENTAL LIABILITY		5,622	
81	EXTENDED LEAVE		28,581	
82	FAS 109		10,637,313	
83	FIN 48 INTEREST		(1,507,216)	
84	FUEL CLAUSE ADJUSTMENT		(11,788,435)	
85	GAIN REACQUIRED DEBT		{212,774}	
86	GENERAL RESERVE		1,002,965	
87	HI VOLTAGE RESERVE		2,485,857	
88	INCENTIVE PAY PLANS		2,777,916	
89	MARK TO MARKET		42,601,080	
90	NM SOLAR ENERGY CENTER		119,094	
91	PENSION VALUATION ALLOWANCE		3,903,079	
92	PREPAID RENT REVENUE		(1,175)	
93	PROPERTY TAX RESERVE		63,534	
94	PV INCENTIVE PROGRAM		378,040	
95	RATE RIDER		{368,771}	
96	REGULATORY RESERVE		{5,938}	
97	RENEWABLE CREDITS		27,564,601	
98	RENEWABLE ENERGY CERTIFICATES		{711,930}	
99	Renewable Rider		372,458	

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10	Z = Zero adjusted balance			
11				
12				
13	Row Labels	IRS Proration	Test Adjustments	Adjusted Test
100	REVENUE SUBJECT TO REFUND			375,036
101	ROW RESERVE			(37,832)
102	SIERRA CLUB			-
103	SIGS GROUNDWATER RESERVE			117,699
104	SUN REFINANCING			(2,099,670)
105	TRI STATE RIGHT OF WAY			(7,918)
106	UNREALIZED GAIN ON ENERGY TRADING			(1,841,732)
107	WAGES			334,809
108	WORKERS COMP			1,143,371
109	RATE RIDER 12			513,384
110	OTHER LEGAL ACCRUALS			(637,763)
111	SELF INSURANCE			255,941
112	STATE AND LOCAL TAX RESERVE			58,797
113	NAVAJO WORKFORCE TRAINING			237,872
114	SJGS AUDIT RESERVES			16,967
115	SJ RECLAMATION TRUST			118,395
116	FAS 115			(932,021)
117	SO2 ALLOWANCE CREDITS			32,661
118	SCR DEFERRED EXPENSES			(1,708,675)
119	OTHER POST EMPLOYMENT BENEFITS			(3,245,128)
120	PVNGS #2 CARRYING COSTS			-
121	FOUR CORNERS SURTAX SETTLEMENT			185,668
122	EPA BART ALTERNATIVE DEFERRED EXPENSES			(758,637)
123	Z			-
124	Zero Balance			-
125	Grand Total	1,777,917	8,746,574	(727,858,021)
126				
127				
128				
129				
130				
131				
132	Per ADIT sheet	1,777,917	8,746,574	(727,858,021)
133	Difference	-	-	-
134				
135	Per H-12	1,777,917	8,746,574	(785,518,605)
136	Rate base including renewables & mdc's, above	1,777,917	8,746,574	(785,518,606)
137	Difference	-	-	1
138				

	A	B	C	D	E	F	G	H	I	J	K	L	
1			PNM Exhibit MFH-2										
2			ADIT-4: ADIT Rollforward										
3			Hyperlink to Lead Sheet										
4	N=NON-UTILITY												
5	X=Underlying acct not in rate base												
6	Z=Zero adjusted balance												
7	R=Included in base period rate base at book value												
8	RR=Renewable Rider												
9	M=Included in base period rate base at MDC value												
10	Doc Ref	acct	sum	Rate Code	Bal Sht Acct	Description	Bal 13Q4	Depr Alloc 13Q4	Adj.s 13Q4	Adj. Bal 13Q4	Activity 14Q1	Bal 14Q1	
11	190000	190	MISC NON OPERATING	N		ACCUM DIT - MISC NON OPER FIT	525,203		11	525,214	-	525,214	
12	190003	190	Zero Balance	Z	253060	ADIT FIT - REGULATORY RESERVE	-			-	-	-	
13	190004	190	Zero Balance	Z		ADIT SIT - REGULATORY RESERVE	-			-	-	-	
14	190001	190	TRI STATE RIGHT OF WAY	X	253091	TRI STATE RIGHT OF WAY FIT	108,238			108,238	-	108,238	
15	190002	190	TRI STATE RIGHT OF WAY	X		TRI STATE RIGHT OF WAY SIT	(116,156)			(116,156)	-	(116,156)	
16	190004	190	ALVARADO SQUARE	X	253002	ACCUM DIT - ALVARADO SQUARE FIT	383,930			383,930	-	383,930	
17	190005	190	ALVARADO SQUARE	X		ACCUM DIT - ALVARADO SQUARE SIT	83,323			83,323	-	83,323	
18	190009	190	WAGES	X	242008	DEFERRED FIT WAGES	260,286			260,286	-	260,286	
19	190010	190	WAGES	X		DEFERRED SIT WAGES	56,491			56,491	-	56,491	
20	190015	190	Pension Qualified	M	Q_242108_182360	DEFERRED FIT PENSION	(81,396,424)			(81,396,424)	340,396	(81,056,028)	
21	190016	190	Pension Qualified	M	182361	DEFERRED SIT PENSION	(16,666,393)			(16,666,393)	70,960	(16,595,433)	
22	190019	190	Deferred Federal Tax Credits	r		Tax only	Alt Min Credit	105,491		105,491	-	105,491	
23	190023	190	ACCrued Vacation	X	242010 012 013	DEFERRED FIT ACCRUED VACATION	2,044,694			2,044,694	-	2,044,694	
24	190024	190	ACCrued Vacation	X		DEFERRED SIT ACCRUED VACATION	443,776			443,776	-	443,776	
25	190027	190	Zero Balance	z	253021	DEF FIT USBR	-			-	-	-	
26	190028	190	Zero Balance	z		DEF SIT USBR	-			-	-	-	
27	190035	190	Eastern Interconnect Project Gain	m	253015	ACCUM DIT - EIP GAIN FIT	168,028			168,028	-	168,028	
28	190036	190	Eastern Interconnect Project Gain	m		ACCUM DIT - EIP GAIN SIT	26,320			26,320	-	26,320	
29	190039	190	Palo Verde Prudence Audit 1 & 2	M	55.75% * 254025-700	DEF FIT PV PRUDENCY AUDIT AMORT	140,114			140,114	-	140,114	
30	190040	190	Palo Verde Prudence Audit 1 & 2	M		DEF SIT PV PRUDENCY AUDIT AMORT	(137,317)			(137,317)	-	(137,317)	
31	190046	190	Contributions In Aid of Construction	R	107000 ct 807	DEFERRED FIT CONTRIB IN AID	26,670,928			26,670,928	374,682	27,045,610	
32	190047	190	Contributions In Aid of Construction	R		DEFERRED SIT CONTRIB IN AID	5,788,579			5,788,579	78,108	5,866,687	
33	190048	190	TAX CAPITALIZED INTEREST	R		Tax only	DEFERRED FIT CAPITALIZED INTEREST	18,788,793			18,788,793	562,383	19,351,176
34	190049	190	TAX CAPITALIZED INTEREST	R			DEFERRED SIT CAPITALIZED INTEREST	2,997,230			2,997,230	117,234	3,114,464
35	190050	190	GAS PLANT DECOMM S FE	N	253040, 283028	DEFERRED FIT GAS PLANT DECOMM S	(126,739)			(126,739)	-	(126,739)	
36	190051	190	GAS PLANT DECOMM S FE	N		DEFERRED SIT GAS PLANT DECOMM	(27,505)			(27,505)	-	(27,505)	
37	190052	190	ASSET RETIREMENT OBLIGATION	m	128000, 128100	DEF FIT NUCLEAR DECOMM	(30,811)			(30,811)	(1,111,404)	(1,142,215)	
38	190053	190	ASSET RETIREMENT OBLIGATION	m	253019, 283023	DEF SIT NUCLEAR DECOMM	(9,779)			(9,779)	(231,684)	(241,463)	
39	190054	190	Zero Balance	Z		Tax only	ACC DIT - IRS EXAMS 84 - 90 FIT	(1,352,983)	1,352,963	-	-	-	
40	190055	190	Zero Balance	Z		ACC DIT - IRS EXAMS 84 - 90 SIT	2,222,086			(2,222,086)	-	-	
41	190056	190	Palo Verde Construction Credits 1 & 2	M	254024	DEF FIT PV CONSTRUCTION CREDITS	118,441			118,441	-	118,441	
42	190057	190	Palo Verde Construction Credits 1 & 2	M		DEF SIT PV CONSTRUCTION CREDITS	25,702			25,702	-	25,702	
43	190084	190	GENERAL RESERVE	X	253000	DEFERRED FIT GENERAL RESERVE	677,606			677,606	-	677,606	
44	190085	190	GENERAL RESERVE	X		DEFERRED SIT GENERAL RESERVE	147,068			147,068	-	147,068	
45	190086	190	PCB REFINANCING	m	182303	DEFERRED FIT INTEREST RATE SWAP	32,615			32,615	-	32,615	
46	190087	190	PCB REFINANCING	m		DEFERRED SIT INTEREST RATE SWAP	7,078			7,078	-	7,078	
47	190088	190	COMPENSATION EXPENSE	X	242008	DEF FIT COMPENSATION EXPENSE	(2,058,442)			(2,058,442)	(917,902)	(2,976,344)	
48	190089	190	COMPENSATION EXPENSE	X		DEF SIT COMPENSATION EXPENSE	(446,757)			(446,757)	(108,193)	(554,950)	
49	190115	190	OTHER LEGAL ACCRUALS	X	253050	FIT DEFERRED OTHER LAWSUITS	439,340			439,340	-	439,340	
50	190116	190	OTHER LEGAL ACCRUALS	X		SIT DEFERRED OTHER LAWSUITS	95,354			95,354	-	95,354	
51	190128	190	NINE MILE TAP	N		Tax only	DEF FIT NINE MILE TAP	59,070			59,070	-	59,070
52	190129	190	NINE MILE TAP	N		DEF SIT NINE MILE TAP	12,818			12,818	-	12,818	
53	190140	190	PVNGS DECOMM NON UTILITY	N		NUC DECOMM - NON OP FIT	484,816			484,816	-	484,816	
54	190141	190	PVNGS DECOMM NON UTILITY	N		NUC DECOMM - NON OP SIT	108,318			108,318	-	108,318	
55	190142	190	Palo Verde Gain 1 & 2	M	253027	FIT DEF PV GAIN ADJ	435,833			435,833	-	435,833	

	A	B	C	D	E	F	G	H	I	J	K	L
1			PNM Exhibit MFH-2									
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4	N=NDN-UTILITY											
5	X=Underlying acct not in rate base											
6	Z=Zero adjusted balance											
7	R=Included in base period rate base at book value											
8	RR=Renewable Rider											
9	M=Included in base period rate base at MDC value											
10	Doc Ref	acct	sum	Rate Code	Bal Sht Acct	Description	Bal 13Q4	Depr Alloc 13Q4	Adj.s 13Q4	Adj. Bal 13Q4	Activity 14Q1	Bal 14Q1
56	190143	190	Palo Verde Gain 1 & 2	M		SIT DEF PV GAIN ADJ	97,374			97,374	-	97,374
57	190146	190	Deferred Federal Tax Credits	R	Tax only	FIT DEFERRED R&D CREDIT	8,776,452			8,776,452	-	8,776,452
58	190147	190	Zero Balance	Z	228400	DEF FIT PV DECONTAMINATION NU	-			-	-	-
59	190148	190	Zero Balance	Z		DEF SIT PV DECONTAMINATION NU	(1)		1	-	-	-
60	190151	190	OTHER POST EMPLOYMENT BENEFITS	x	228300, 302, 303	DEFERRED FIT 401(h) CONTRIBUTION	(912,759)			(912,759)	-	(912,759)
61	190152	190	OTHER POST EMPLOYMENT BENEFITS	x		DEFERRED SIT 401(h) CONTRIBUTION	(198,110)			(198,110)	-	(198,110)
62	190161	190	PENSION VALUATION ALLOWANCE	x	OCL	FIT PENSION VALUATION ALLOWANCE	67,196,635			67,196,635	-	67,196,635
63	190162	190	PENSION VALUATION ALLOWANCE	x		SIT PENSION VALUATION ALLOWANCE	(63,293,556)			(63,293,556)	-	(63,293,556)
64	190163	190	REGULATORY RESERVE	X		FIT REGULATORY RESERVE	(4,879)			(4,879)	-	(4,879)
65	190164	190	REGULATORY RESERVE	X		SIT REGULATORY RESERVE	(1,059)			(1,059)	-	(1,059)
66	190165	190	ENVIRONMENTAL LIABILITY	X	253040	DEFERRED FIT ENVIRONMENTAL	4,619			4,619	-	4,619
67	190166	190	ENVIRONMENTAL LIABILITY	X		DEFERRED SIT ENVIRONMENTAL	1,003			1,003	-	1,003
68	190169	190	FAS 109	X	Tax only	ADIT FAS 109 FED	24,365,893			24,365,893	117,565	24,483,458
69	190170	190	FAS 109	X		ADIT FAS 109 ST	54,047,458			54,047,458	(4,726,387)	49,321,071
70	190175	190	WORKERS COMP	x	228200	DEF FIT WORKERS COMP	1,326,779			1,326,779	-	1,326,779
71	190176	190	WORKERS COMP	x		DEF SIT WORKERS COMP	287,959			287,959	-	287,959
72	190177	190	SELF INSURANCE	x	228201, 202	DEFERRED FIT GENERAL LIABILITY SELF	283,363			283,363	-	283,363
73	190178	190	SELF INSURANCE	x		DEFERRED SIT GENERAL LIABILITY SELF	61,500			61,500	-	61,500
74	190187	190	ASSET RETIREMENT OBLIGATION	m	101317, 326, 347, 108200	DEF FIT GAS PLANT DECOM SJ4,	13,004,738			13,004,738	-	13,004,738
75	190188	190	ASSET RETIREMENT OBLIGATION	m	210, 299, 230000, 254023	DEF SIT GAS PLANT DECOM SJ4,	2,822,511			2,822,511	-	2,822,511
76	190191	190	SELF INSURANCE	X		DEFERRED FIT AUTO SELF INSURANCE	8,837			8,837	-	8,837
77	190192	190	SELF INSURANCE	X		DEFERRED SIT AUTO SELF INSURANCE	1,912			1,912	-	1,912
78	190193	190	Zero Balance	Z	Tax only	DEF FIT EIP REFINANCING COSTS	-			-	-	-
79	190194	190	Zero Balance	Z		DEF SIT EIP REFINANCING COSTS	-			-	-	-
80	190195	190	Zero Balance	Z	Tax only	DEF FIT PVNGS REG STUDY AMORT	1			1	-	1
81	190196	190	Zero Balance	Z		DEF SIT PVNGS REG STUDY AMORT	(1)			(1)	-	(1)
82	190201	190	Palo Verde Dry Cask Storage 1 & 2	M	253077	DEF FIT PVNGS DRY CASKS	3,871,586			3,871,586	43,422	3,915,008
83	190202	190	Palo Verde Dry Cask Storage 1 & 2	M		DEF SIT PVNGS DRY CASKS	840,280			840,280	9,052	849,332
84	190205	190	LINE EXTENSION POLICY	R	Tax only	DEF FIT LINE EXTENSION POLICY	786,444			786,444	-	786,444
85	190206	190	LINE EXTENSION POLICY	R		DEF SIT LINE EXTENSION POLICY	170,587			170,587	-	170,587
86	190209	190	Zero Balance	Z	Tax only	DEF FIT TAX RATE ADJ. WAS 190209	1			(1)	-	-
87	190210	190	Zero Balance	Z		DEF SIT TAX RATE ADJ. WAS 190210	-			-	-	-
88	190215	190	OTHER LEGAL ACCRUALS	X		DEFERRED FIT ENVIRONMENTAL/LEG	(954,462)			(954,462)	-	(954,462)
89	190216	190	OTHER LEGAL ACCRUALS	X		DEFERRED SIT ENVIRONMENTAL/LEG	(207,154)			(207,154)	-	(207,154)
90	190217	190	HI VOLTAGE RESERVE	X	Offset at Co 7	DEFERRED FIT HI VOLTAGE RESERVE	2,042,548			2,042,548	-	2,042,548
91	190218	190	HI VOLTAGE RESERVE	X		DEFERRED SIT HI VOLTAGE RESERVE	443,309			443,309	-	443,309
92	190219	190	STATE AND LOCAL TAX RESERVE	X	236000 ct 874	DEFERRED FIT PROPERTY TAX RESERVE	-			-	-	-
93	190220	190	STATE AND LOCAL TAX RESERVE	X		DEFERRED SIT PROPERTY TAX RESERVE	-			-	-	-
94	190223	190	Zero Balance	Z		DEF FIT SONORA/AZ	(1,040,789)			1,040,789	-	-
95	190224	190	Zero Balance	Z		DEF SIT SONORA/AZ	(225,890)			225,890	-	-
96	190225	190	Zero Balance	Z	253056	DEF FIT WPM VOLATILITY RESERVE	7,060			(7,060)	-	-
97	190226	190	Zero Balance	Z		DEF SIT WPM VOLATILITY RESERVE	(7,060)			7,060	-	-
98	190229	190	Coal Mine Decommissioning	M	182301, 253008	DEF FIT COAL MINE DECOMM	9,362,480			9,362,480	526,878	9,889,358
99	190230	190	Coal Mine Decommissioning	M		DEF SIT COAL MINE DECOMM	2,032,007			2,032,007	109,833	2,141,840
100	190233	190	Zero Balance	Z		DEF FIT SONORA/AZ	1,040,789			(1,040,789)	-	-

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8	RR=Renewable Rider											
9	M=Included in base period rate base at MDC value											
10	Doc Ref	acct	sum	Rate Code	Bal Sht Acct	Description	12/31/13		12/31/13	2014Q1	03/31/14	
101	190234	190	Zero Balance	Z		DEF SIT SONORA/AZ	225,890					
102	190235	190	Coal Mine Decommissioning	M	182301, 253008	DEF FIT COAL MINE DECOMM NON OP	(193,067)		(193,067)	-	(193,067)	
103	190236	190	Coal Mine Decommissioning	M		DEF SIT COAL MINE DECOMM NON OP	(41,903)		(41,903)	-	(41,903)	
104	190252	190	BAD DEBT ALLOWANCE	X	174150, 242150, 144000	DEF FIT BAD DEBT ALLOWANCE	(54,925)		(54,925)	-	(54,925)	
105	190255	190	BAD DEBT ALLOWANCE	X		DEF SIT BAD DEBT ALLOWANCE	(11,921)		(11,921)	-	(11,921)	
106	190284	190	Contributions In Aid of Construction	r	107000 ct 807	ACCUM NM DIT-CONTRIB IN AID-FIT	1,102,350		1,102,350	-	1,102,350	
107	190285	190	Contributions In Aid of Construction	r		ACCUM NM DIT-CONTRIB IN AID-SIT	239,251		239,251	-	239,251	
108	190287	190	BIO MASS	x	182311	BIO MASS FIT	(27,508)		(27,508)	-	(27,508)	
109	190288	190	BIO MASS	x		BIO MASS SIT	16,561		16,561	-	16,561	
110	190291	190	PREPAID RENT REVENUE	X	253003	DEFERRED FIT PREPAID RENT	22,017		22,017	-	22,017	
111	190292	190	PREPAID RENT REVENUE	X		DEFERRED SIT PREPAID RENT	4,778		4,778	-	4,778	
112	190293	190	REVENUE SUBJECT TO REFUND	X	254002	DEFERRED FIT REVENUE SUBJECT TO	192,436		192,436	118,211	310,647	
113	190294	190	REVENUE SUBJECT TO REFUND	X		DEFERRED SIT REVENUE SUBJECT TO	41,767		41,767	24,642	66,409	
114	190310	190	Net Operating Loss (NOL)	R	Tax only	DEF FIT NOL	90,661,109		(28,071,118)	62,589,991	(24,445)	62,565,546
115	190311	190	Net Operating Loss (NOL)	R		DEF SIT NOL	36,094,738			36,094,738	75,117	36,169,855
116	190312	190	Zero Balance	z	Tax only	DEF FIT NOL FIN 48	-		-	-	-	-
117	190313	190	Zero Balance	z		DEF SIT NOL FIN 48	-		-	-	-	-
118	190343	190	Zero Balance	z	253401, 402, 403	DEFERRED FIT SIGS EMISSION	(13)		13	-	-	-
119	190344	190	Zero Balance	z		DEFERRED SIT SIGS EMISSION	(2)		2	-	-	-
120	190345	190	SIGS GROUNDWATER RESERVE	X	253401, 402, 403	DEFERRED FIT SIGS GROUNDWATER	45,395		45,395	-	45,395	
121	190346	190	SIGS GROUNDWATER RESERVE	X		DEFERRED SIT SIGS GROUNDWATER	9,853		9,853	-	9,853	
122	190347	190	Zero Balance	z	253401, 402, 403	DEFERRED FIT SIGS GRAND CANYON	-		-	-	-	-
123	190348	190	Zero Balance	z		DEFERRED FIT SIGS GRAND CANYON	-		-	-	-	-
124	190349	190	Zero Balance	z		DEFERRED FIT CFC TRUST	21		(21)	-	-	-
125	190350	190	Zero Balance	z		DEFERRED SIT CFC TRUST	4		(4)	-	-	-
126	190358	190	INJURY & DAMAGES	M	228210, 211, 212	DEF FIT IBNR RESERVE	14,679		14,679	-	14,679	
127	190359	190	INJURY & DAMAGES	M		DEF SIT IBNR RESERVE	3,186		3,186	-	3,186	
128	190360	190	INJURY & DAMAGES	M	228210, 211, 212	DEF FIT IBNR WORKERS COMP	986,093		986,093	-	986,093	
129	190361	190	INJURY & DAMAGES	M		DEF SIT IBNR WORKERS COMP	214,022		214,022	-	214,022	
130	190362	190	INJURY & DAMAGES	M	228210, 211, 212	DEF FIT IBNR AUTO LIABILITY	(3)		(3)	-	(3)	
131	190363	190	INJURY & DAMAGES	M		DEF SIT IBNR AUTO LIABILITY	2		2	-	2	
132	190364	190	INJURY & DAMAGES	M	228210, 211, 212	DEF FIT IBNR PUBLIC LIABILITY	610,727		610,727	-	610,727	
133	190365	190	INJURY & DAMAGES	M		DEF SIT IBNR PUBLIC LIABILITY	132,544		132,544	-	132,544	
134	190366	190	ROW RESERVE	X		DEF FIT ROW RESERVE GAS	238,922		238,922	-	238,922	
135	190367	190	ROW RESERVE	X		DEF SIT ROW RESERVE GAS	51,854		51,854	-	51,854	
136	190369	190	FEDERAL TAX CORRECTION	N	Tax only	DEF FIT FEDERAL TAX CORRECTION	40,597		40,597	-	40,597	
137	190370	190	FEDERAL TAX CORRECTION	N		DEF SIT STATE TAX CORRECTION	(100,534)		(100,534)	-	(100,534)	
138	190381	190	ROW RESERVE	X	186000 var	DEF FIT ROW RESERVE	(253,776)		(253,776)	-	(253,776)	
139	190382	190	ROW RESERVE	X		DEF SIT ROW RESERVE	(55,081)		(55,081)	-	(55,081)	
140	190383	190	Zero Balance	Z		DEF FIT RATE HEARING ADJ	-		-	-	-	-
141	190384	190	Zero Balance	Z		DEF SIT RATE HEARING ADJ	-		-	-	-	-
142	190385	190	Palo Verde Construction Credits 1 & 2	m	254024	DEF FIT COMBUSTION ENGINEERING	(46,240)		(46,240)	-	(46,240)	
143	190386	190	Palo Verde Construction Credits 1 & 2	m		DEF SIT COMBUSTION ENGINEERING	(10,036)		(10,036)	-	(10,036)	
144	190389	190	PROPERTY TAX RESERVE	X	236000 ct 874	DEF FIT NM TECH JOBS TAX CREDIT	(214,909)		(214,909)	-	(214,909)	
145	190390	190	PROPERTY TAX RESERVE	X		DEF SIT NM TECH JOBS TAX CREDIT	(46,643)		(46,643)	-	(46,643)	

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10	Doc Ref	acct	sum	Rate Code	Bal Sht Acct	Description	12/31/13		12/31/13	2014Q1	03/31/14	
146	190395	190	Zero Balance	Z		DEF FIT IMPAIRMENT RESERVE						
147	190396	190	Zero Balance	Z		DEF SIT IMPAIRMENT RESERVE						
148	190399	190	Zero Balance	Z		DEF FIT SJ AUDIT RESERVES						
149	190400	190	Zero Balance	Z		DEF SIT SJ AUDIT RESERVES						
150	190401	190	RATE RIDER	X		DEF FIT Rate Rider	(2,157)					
151	190402	190	RATE RIDER	X		DEF SIT Rate Rider	(468)					
152	190403	190	RENEWABLE CREDITS	X	Tax only	Def Renewable GBC Carryover	14,407,752					
153	190404	190	INCENTIVE PAY PLANS	X	242000	DEF FIT INCENTIVE PAY PLANS	2,256,892					
154	190405	190	INCENTIVE PAY PLANS	X		DEF SIT INCENTIVE PAY PLANS	489,830					
155	190406	190	ENERGY EFFICIENCY	X	182315	DEF FIT ENERGY EFFICIENCY	1,175,767					
156	190407	190	ENERGY EFFICIENCY	X		DEF SIT ENERGY EFFICIENCY	255,185					
157	190413	190	NM SOLAR ENERGY CENTER	X		DEF FIT NM SOLAR ENERGY CENTER	27,982					
158	190414	190	NM SOLAR ENERGY CENTER	X		DEF SIT NM SOLAR ENERGY CENTER	6,074					
159	190415	190	DOE SPENT FUEL SETTLEMENT	M	253077	DEF FIT DOE SPENT FUEL SETTLEMENT	96,430					
160	190416	190	DOE SPENT FUEL SETTLEMENT	M		DEF SIT DOE SPENT FUEL SETTLEMENT	20,930					
161	190419	190	SIERRA CLUB	X	253050	DEF FIT Sierra Club	-					
162	190420	190	SIERRA CLUB	X		DEF SIT Sierra Club	-					
163	190421	190	LVGS Decommissioning	M	182371, 254363	DEF FIT LV Decom	315,852					
164	190422	190	LVGS Decommissioning	M		DEF SIT LV Decm	68,552					
165	190423	190	EXTENDED LEAVE	X		DEF FIT Extended Leave	33,786					
166	190424	190	EXTENDED LEAVE	X		DEF SIT Extended Leave	7,331					
167	190425	190	Coal Mine Decommissioning	M		DEF FIT San Juan Reclamation Trust	(5,882)					
168	190426	190	Coal Mine Decommissioning	M		DEF SIT San Juan Reclamation Trust	(1,277)					
169	190429	190	EFFECT OF NM TAX RATE	X		DEF FIT EFFECT OF NM TAX RATE	372,844					
170	190430	190	EFFECT OF NM TAX RATE	X		DEF SIT EFFECT OF NM TAX RATE	62,851					
171	190431	190	Renewable NM AETC	RR		DEF FIT RENEWABLES NM AETC AMO	1,377,209					
172	190432	190	Renewable NM AETC	RR		DEF SIT RENEWABLES NM AETC AMO	298,905					
173	190433	190	NAVAJO WORKFORCE TRAINING	X		DEF FIT NAVAJO WORKFORCE TRAIN	195,174					
174	190434	190	NAVAJO WORKFORCE TRAINING	X		DEF SIT NAVAJO WORKFORCE TRAIN	42,360					
175	190435	190	SIGS AUDIT RESERVES	X		DEF FIT SJ AUDIT RESERVES	366,300					
176	190436	190	SIGS AUDIT RESERVES	X		DEF SIT SJ AUDIT RESERVES	79,501					
177	190437	190	SJ RECLAMATION TRUST	X		DEF FIT SJ RECLAMATION TRUST I	16,921					
178	190438	190	SJ RECLAMATION TRUST	X		DEF SIT SJ RECLAMATION TRUST I	3,673					
179	190441	190	Net Operating Loss (NOL)	R		DEF FIT NOL - VALUATION ALLOWA	-					
180	190442	190	Net Operating Loss (NOL)	R		DEF SIT NOL - VALUATION ALLOWA	-					
181	190443	190	FOUR CORNERS SURTAX SETTLEMENT	X	253050 loc 715	DEF FIT FOUR CORNERS SURTAX SE	-					
182	190444	190	FOUR CORNERS SURTAX SETTLEMENT	X		DEF SIT FOUR CORNERS SURTAX SE	-					
183	190445	190	DOE SPENT FUEL SETTLEMENT	M	253050 loc 723	DEF FIT DOE REFUND 2010 RATE C	-					
184	190446	190	DOE SPENT FUEL SETTLEMENT	M		DEF SIT DOE REFUND 2010 RATE C	-					
185	190447	190	DOE SPENT FUEL SETTLEMENT	M	254375	DEF FIT DOE REFUND 2010 RATE C	-					
186	190448	190	DOE SPENT FUEL SETTLEMENT	M		DEF SIT DOE REFUND 2010 RATE C	-					
187	190900	190	Zero Balance	Z		CURRENT ADIT asset	-					
188	281000	281	Pollution Control Facilities 4 Corners	R	101	DEF FIT FOUR CORNERS SO2 REV	(458,264)					
189	281001	281	Pollution Control Facilities 4 Corners	R		DEF SIT FOUR CORNERS SO2 REV BULK	(73,454)					
190	281003	281	FAS 109	X	Tax only	FAS 109 FIT	(3,812,392)					

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						12/31/13			12/31/13	2014Q1	03/31/14	
10	Doc Ref	acct	sum	Rate Code	Bal Sht Acct	Description	Bal 13Q4	Depr Alloc 13Q4	Adj.s 13Q4	Adj. Bal 13Q4	Activity 14Q1	Bal 14Q1
191	281004	281	FAS 109	X		FAS 109 SIT	(853,410)			(853,410)	-	(853,410)
192	282000	282	LIBERALIZED DEPRECIATION NONOP	N	101	FIT EXCESS TAX DEPRECIATION	3,121,008			3,121,008	-	3,121,008
193	282001	282	LIBERALIZED DEPRECIATION NONOP	N		SIT EXCESS TAX DEPRECIATION	739,203			739,203	-	739,203
194	282003	282	Liberalized Depreciation - Other	R	101	FIT EXCESS TAX DEPRECIATION	(327,899,569)	656,508,188	(97,277,602)	231,331,017	(3,546,334)	227,784,683
195	282004	282	Liberalized Depreciation - Other	R		SIT EXCESS TAX DEPRECIATION	(65,518,003)		(13,594,680)	(79,112,683)	(777,699)	(79,890,382)
196	282005	282	FERC Customer Depreciation	R	101	DEF FIT PRE ACRS	972,703			972,703	-	972,703
197	282006	282	FERC Customer Depreciation	R		DEF SIT PRE ACRS	290,589			290,589	-	290,589
198	282007	282	Palo Verde Start-Up Amortization	R	101	FIT PVNGS STARTUP	263,465			263,465	-	263,465
199	282008	282	Palo Verde Start-Up Amortization	R		SIT PVNGS STARTUP	(13,439)			(13,439)	-	(13,439)
200	282009	282	Nuclear Fuel Amortization PV 1&2	R		FIT EXCESS TAX DEPREC NUC FUEL	(5,954,997)	5,954,997		-	-	-
201	282010	282	Nuclear Fuel Amortization PV 1&2	R		SIT EXCESS TAX DEPREC NUC FUEL	(1,429,308)	1,429,308		-	-	-
202	282011	282	Liberalized Depreciation - PV 3	R	101	FIT PALO VERDE #3	(55,437,784)			(55,437,784)	-	(55,437,784)
203	282012	282	Liberalized Depreciation - PV 3	R		SIT PALO VERDE #3	(11,381,591)			(11,381,591)	-	(11,381,591)
204	282013	282	Liberalized Depreciation - Other	R	101	FIT SAN JUAN #4	(16,096,598)			(16,096,598)	-	(16,096,598)
205	282014	282	Liberalized Depreciation - Other	R		SIT SAN JUAN #4	(2,193,518)			(2,193,518)	-	(2,193,518)
206	282015	282	Zero Balance	Z	Tax only	REVERSE EXCESS ADIT FOR PAYROLL	(2,833,900)		2,833,900	-	-	-
207	282016	282	Zero Balance	Z		REVERSE EXCESS ADIT FOR PAYROLL	(531,630)	531,630		-	-	-
208	282017	282	Debt AFUDC	R	101	DEF FIT AFUDC DEBT	(14,661,407)			(14,661,407)	(345,342)	(15,006,749)
209	282018	282	Debt AFUDC	R		DEF SIT AFUDC DEBT	(3,206,224)			(3,206,224)	(71,991)	(3,278,215)
210	282019	282	Palo Verde Licensing Amortization	R	tax only	DEF FIT PV LICENSING AMT	(3,537,187)			(3,537,187)	-	(3,537,187)
211	282020	282	Palo Verde Licensing Amortization	R		DEF SIT PV LICENSING AMT	(770,447)			(770,447)	-	(770,447)
212	282021	282	ASSET RETIREMENT OBLIGATION	M	128000, 128100,	DEF FIT NUCLEAR DECOM TRUST INT	16,096,038			16,096,038	644,247	16,740,285
213	282022	282	ASSET RETIREMENT OBLIGATION	M	253019, 253023	DEF SIT NUCLEAR DECOM TRUST INT	3,489,984			3,489,984	134,301	3,624,285
214	282025	282	Pre-1981 Repair Allowance	R	Tax only	REPAIR ALLOWANCE ON PRE 81	(18,190,422)			(18,190,422)	-	(18,190,422)
215	282026	282	Pre-1981 Repair Allowance	R		REPAIR ALLOWANCE ON PRE 81	(3,948,000)			(3,948,000)	-	(3,948,000)
216	282031	282	Liberalized Depreciation - Other	R	Tax only	DEF FIT DREXEL AMORTIZATION	1,767,848			1,767,848	-	1,767,848
217	282032	282	Liberalized Depreciation - Other	R		DEF SIT DREXEL AMORTIZATION	383,691			383,691	-	383,691
218	282033	282	FAS 109	X	Tax only	ADIT FAS 109 PED	(27,176,231)			(27,176,231)	-	(27,176,231)
219	282034	282	FAS 109	X		ADIT FAS 109 ST	(8,158,951)			(8,158,951)	-	(8,158,951)
220	282050	282	Zero Balance	Z	101	DEF FIT REMOVAL COSTS	(35,303)		35,303	-	-	-
221	282051	282	Zero Balance	Z		DEF SIT REMOVAL COSTS	(7,662)	7,662		-	-	-
222	282052	282	ASSET RETIREMENT OBLIGATION	M	101317, 326, 347, 108200	DEF FIT ASSET RETIREMENT	21,463,108			21,463,108	455,313	21,918,421
223	282053	282	ASSET RETIREMENT OBLIGATION	M	210, 299, 253008, 254023	DEF SIT ASSET RETIREMENT	4,658,290			4,658,290	94,914	4,753,204
224	282185	282	Liberalized Depreciation - Other	R	Tax only	REVERSE EXCESS ADIT FOR	9,246,178			(9,246,178)	-	-
225	282186	282	Liberalized Depreciation - Other	R		REVERSE EXCESS ADIT FOR	75,408			(75,408)	-	-
226	282187	282	Zero Balance	Z	Tax only	DEFERRED FIT LXP DEPRECIATION	(41,612)		41,612	-	-	-
227	282188	282	Zero Balance	Z		DEFERRED SIT LXP DEPRECIATION	(9,031)		9,031	-	-	-
228	282189	282	Zero Balance	Z	Tax only	DEFERRED FIT REMOVAL LAG 481(a)	(1,000,514)		1,000,514	-	-	-
229	282190	282	Zero Balance	Z		DEFERRED SIT REMOVAL LAG 481(a)	(217,148)		217,148	-	-	-
230	282191	282	Zero Balance	Z	Tax only	DEFERRED FIT INDIAN RESERVATION	(274,173)		274,173	-	-	-
231	282192	282	Zero Balance	Z		DEFERRED SIT INDIAN RESERVATION	(59,505)		59,505	-	-	-
232	282193	282	Zero Balance	Z	Tax only	DEFERRED FIT BONUS DEPRECIATION	(266,068)		266,068	-	-	-
233	282194	282	Zero Balance	Z		DEFERRED SIT BONUS DEPRECIATION	(57,746)		57,746	-	-	-
234	282195	282	Zero Balance	Z	Tax only	DEFERRED FIT REMOVAL COSTS	(230,269)		230,269	-	-	-
235	282196	282	Zero Balance	Z		DEFERRED SIT REMOVAL COSTS	(49,976)		49,976	-	-	-

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							12/31/13			12/31/13	2014Q1	03/31/14
10	Doc Ref	acc	sum	Rate Code	Bal Sht Acct	Description	Bal 13Q4	Depr Alloc 13Q4	Adj.s 13Q4	Adj. Bal 13Q4	Activity 14Q1	Bal 14Q1
236	282197	282	Zero Balance	Z	Tax only	DEFERRED FIT AMORTIZATION SRP	47,684		(47,684)	-	-	-
237	282198	282	Zero Balance	Z		DEFERRED SIT AMORTIZATION SRP	10,349		(10,349)	-	-	-
238	282201	282	Zero Balance	Z	101	DEF FIT TURBINE WRITE DOWN	-		-	-	-	-
239	282202	282	Zero Balance	Z		DEF SIT TURBINE WRITE DOWN	-		-	-	-	-
240	282203	282	ASSET RETIREMENT OBLIGATION	m		ADFIT - ARO CUMULATIVE EFFECT	224,672			224,672		224,672
241	282204	282	ASSET RETIREMENT OBLIGATION	m		ADSIT - ARO CUMULATIVE EFFECT	48,762			48,762		48,762
242	282243	282	Zero Balance	Z	101	DEF FIT GAIN/LOSS ON ASSET	7,331,511		(7,331,511)	-	-	-
243	282244	282	Zero Balance	Z		DEF SIT NM GAIN/LOSS ON ASSET	1,591,207		(1,591,207)	-	-	-
244	282267	282	AFTON WRITEDOWN	R	101	DEF FIT AFTON WRITE OFF	6,503,263			6,503,263		6,503,263
245	282268	282	AFTON WRITEDOWN	R		DEF SIT AFTON WRITE OFF	1,411,449			1,411,449		1,411,449
246	282304	282	Nuclear Fuel Amortization PV 1&2	R		DEF FIT EXCESS BOOK AMORT NUC	13,172,869		(13,172,869)	-	-	-
247	282305	282	Nuclear Fuel Amortization PV 1&2	R		DEF SIT EXCESS BOOK AMORT NUC	2,859,001		(2,859,001)	-	-	-
248	282306	282	Zero Balance	Z	Tax only	DEF FIT Sec 174	(8,558,504)		8,558,504	-	-	-
249	282307	282	Zero Balance	Z		DEF SIT Sec 174	(1,857,515)		1,857,515	-	-	-
250	282308	282	Zero Balance	Z	Tax only	DEF FIT 263A ADJ	(17,435,403)		17,435,403		885,018	885,018
251	282309	282	Zero Balance	Z		DEF SIT 263A ADJ	(3,784,130)		3,784,130	-	184,491	184,491
252	282310	282	Zero Balance	Z	Tax only	DEF FIT - F&C	(67,254,439)		67,254,439	-	-	-
253	282311	282	Zero Balance	Z		DEF SIT - F&C	(7,956,254)		7,956,254	-	-	-
254	282312	282	Zero Balance	Z	Tax only	ADIT SECTION 481 ADJ. - FEDERAL	(10,082,411)		10,082,411	-	-	-
255	282313	282	Zero Balance	Z		ADIT SECTION 481 ADJ. - STATE	(2,188,258)		2,188,258	-	-	-
256	282314	282	Zero Balance	Z	Tax only	DEF FIT - REPAIRS 481(a)	(7,658,736)		7,658,736	-	-	-
257	282315	282	Zero Balance	Z		DEF SIT - REPAIRS 481(a)	(1,662,229)		1,662,229	-	-	-
258	282318	282	Zero Balance	Z	tax only	DEF FIT RELOCATIONS	4,274,986		(4,274,986)	-	-	-
259	282319	282	Zero Balance	Z		DEF SIT RELOCATIONS	927,829		(927,829)	-	-	-
260	282320	282	Liberalized Depreciation - Other	R	tax only	DEF FIT REPAIRS	(117,153,207)		(3,383,750)	(120,536,957)	(1,870,134)	(122,407,091)
261	282321	282	Liberalized Depreciation - Other	R		DEF SIT REPAIRS	(23,348,392)		(734,400)	(24,082,792)	(389,847)	(24,472,639)
262	282322	282	ALVARADO SQUARE ABANDONMENT	m		DEF FIT Alvarado Square	(1,294,338)			(1,294,338)	-	(1,294,338)
263	282323	282	ALVARADO SQUARE ABANDONMENT	m		DEF SIT Alvarado Square	(280,920)			(280,920)	-	(280,920)
264	282386	282	Zero Balance	Z	Tax only	DEF FIT Sec 174	-		-	-	-	-
265	282387	282	Zero Balance	Z		DEF SIT Sec 174	-		-	-	-	-
266	282500	282	Zero Balance	Z		GAS SALE TRANSFER	-		-	-	-	-
267	283001	283	BONUS ACCRUAL	X		RESULTS PAY FIT	(575,272)			(575,272)	-	(575,272)
268	283002	283	BONUS ACCRUAL	X		RESULTS PAY SIT	(124,855)			(124,855)	-	(124,855)
269	283004	283	Zero Balance	Z		DEFERRED FUEL FIT	-		-	-	-	-
270	283005	283	Zero Balance	Z		DEFERRED FUEL SIT	-		-	-	-	-
271	283008	283	Zero Balance	Z		DEF FIT COMPUTER SOFTWARE	(4,462,737)		4,462,737	-	-	-
272	283009	283	Zero Balance	Z		DEF SIT COMPUTER SOFTWARE	(758,667)		758,667	-	-	-
273	283010	283	LOSS ON REACQUIRED DEBT	M	189000, 001	DEF FIT AMORT LOSS REACQUIRED	(3,119,659)			(3,119,659)	-	(3,119,659)
274	283013	283	LOSS ON REACQUIRED DEBT	M		DEF SIT AMOR LOSS REACQUIRED	(653,346)			(653,346)	-	(653,346)
275	283019	283	GAIN REACQUIRED DEBT	X	257000	DEF FIT AMORT GAIN REACQUIRED	(174,832)			(174,832)	-	(174,832)
276	283020	283	GAIN REACQUIRED DEBT	X		DEF SIT AMORT GAIN REACQUIRED	(37,942)			(37,942)	-	(37,942)
277	283023	283	Pension Qualified	m	242108	FIT PENSION CURTAILMENT	(740,908)			(740,908)	-	(740,908)
278	283024	283	Pension Qualified	m		SIT PENSION CURTAILMENT	(160,794)			(160,794)	-	(160,794)
279	283034	283	RATE CASE EXPENSE	M	316	DEF FIT RATE CASE EXPENSE	(390,828)			(390,828)	10,860	(379,968)
280	283035	283	RATE CASE EXPENSE	M		DEF SIT RATE CASE EXPENSE	(84,826)			(84,826)	2,254	(82,562)

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8	RR=Renewable Rider											
9	M=Included in base period rate base at MDC value											
							12/31/13			12/31/13	2014Q1	03/31/14
10	Doc Ref	acct	sum	Rate Code	Bal Sht Acct	Description	Bal 13Q4	Depr Alloc 13Q4	Adj.s 13Q4	Adj. Bal 13Q4	Activity 14Q1	Bal 14Q1
281	283144	283	FAS 109	X	Tax only	ADIT FAS 109 FED	(15,830,604)			(15,830,604)		(15,830,604)
282	283145	283	FAS 109	X		ADIT FAS 109 ST	(3,630,338)			(3,630,338)		(3,630,338)
283	283154	283	ASSET RETIREMENT OBLIGATION	m	128000, 128100, 182340	FIT NUCLEAR DECOM QUALIFIED BULK	(18,382,946)			(18,382,946)	(398,523)	(18,781,469)
284	283155	283	ASSET RETIREMENT OBLIGATION	m	341,306,316	SIT NUCLEAR DECOM QUALIFIED BULK	(3,989,779)			(3,989,779)	(83,076)	(4,072,855)
285	283156	283	COMPENSATION EXPENSE	x	211140	STOCK OPTIONS FIT	(6,080)			(6,080)		(6,080)
286	283157	283	COMPENSATION EXPENSE	x		STOCK OPTIONS SIT	(1,320)			(1,320)		(1,320)
287	283158	283	PVNNGS DECOMM NON UTILITY	N	OCI	PVNNGS DECOMM NON UTILITY FIT	(12,930,375)			(12,930,375)	(196,750)	(13,127,125)
288	283159	283	PVNNGS DECOMM NON UTILITY	N		PVNNGS DECOMM NON UTILITY SIT	(2,806,285)			(2,806,285)	69,790	(2,736,495)
289	283160	283	FAS 115	X	OCI	FAS 115 FIT	(1,163,510)			(1,163,510)		(1,163,510)
290	283161	283	FAS 115	X		FAS 115 SIT	231,489			231,489		231,489
291	283162	283	MARK TO MARKET	x	OCI	DEF FIT MARK TO MARKET	33,949,513			33,949,513	(262,648)	33,686,855
292	283163	283	MARK TO MARKET	X		DEF SIT MARK TO MARKET	8,963,990			8,963,990	(46,757)	8,917,233
293	283164	283	Zero Balance	Z		DEF FIT SANTA FE	(1,171,094)		1,171,094		-	-
294	283165	283	Zero Balance	Z		DEF SIT SANTA FE	(254,171)		254,171		-	-
295	283166	283	Zero Balance	Z	Tax only	DEFERRED FIT ACCRUAL HOLIDAY PAY	-		-	-	-	-
296	283167	283	Zero Balance	Z		DEFERRED SIT ACCRUAL HOLIDAY PAY	-		-	-	-	-
297	283168	283	UNREALIZED GAIN ON ENERGY TRADING	X	174000, 219000	DEF FIT UNREALIZED GAIN ON ENERGY	39,561			39,561	900,755	940,316
298	283169	283	UNREALIZED GAIN ON ENERGY TRADING	X		DEF SIT UNREALIZED GAIN ON ENERGY	8,584			8,584	187,772	196,356
299	283170	283	Zero Balance	Z	186010	DEFERRED FIT TRANSISTION COSTS	-			-	-	-
300	283171	283	Zero Balance	Z		DEFERRED SIT TRANSISTION COSTS	-			-	-	-
301	283174	283	HEDGE LOSS	N		DEFERRED FIT HEDGE LOSS	395,030			395,030	-	395,030
302	283175	283	HEDGE LOSS	N		DEFERRED SIT HEDGE LOSS	62,030			62,030	-	62,030
303	283180	283	ACCURED ILLNESS	X	242011	DEFERRED FIT ACCRUED ILLNESS	248,655			248,655	-	248,655
304	283181	283	ACCURED ILLNESS	X		DEFERRED SIT ACCRUED ILLNESS	53,972			53,972	-	53,972
305	283182	283	BOOK CAPITALIZED INTEREST	R	101	DEFERRED FIT BOOK CAPITALIZED	(5,786,118)			(5,786,118)	-	(5,786,118)
306	283183	283	BOOK CAPITALIZED INTEREST	R		DEFERRED SIT BOOK CAPITALIZED	(1,255,805)			(1,255,805)	-	(1,255,805)
307	283185	283	Zero Balance	Z		DEF FIT ERP	(74,679)		74,679		-	-
308	283186	283	Zero Balance	Z		DEF SIT ERP	(16,208)		16,208		-	-
309	283187	283	ASSET RETIREMENT OBLIGATION	m	101317, 326, 347, 108200	FAS 143 FIT	(20,042,441)			(20,042,441)	-	(20,042,441)
310	283188	283	ASSET RETIREMENT OBLIGATION	m	210,299, 230000, 254023	FAS 143 SIT	(4,349,953)			(4,349,953)	-	(4,349,953)
311	283189	283	Zero Balance	z	186000	DEF FIT RTO TRANSITION COSTS	-		-	-	-	-
312	283190	283	Zero Balance	z		DEF SIT RTO TRANSITION COSTS	-		-	-	-	-
313	283191	283	Coal Mine Decommissioning	M	182301, 253008	DEF FIT COAL CONTRACT BUYOUT	(11,723,858)			(11,723,858)	-	(11,723,858)
314	283192	283	Coal Mine Decommissioning	M		DEF SIT COAL CONTRACT BUYOUT	(2,544,512)			(2,544,512)	-	(2,544,512)
315	283193	283	PREPAID EXPENSES	R	165000, 001, 025	DEFERRED FIT PREPAID EXPENSES	(3,026,563)			(3,026,563)	-	(3,026,563)
316	283194	283	PREPAID EXPENSES	R		DEFERRED SIT PREPAID EXPENSES	(656,873)			(656,873)	-	(656,873)
317	283201	283	PCB REFINANCING	m	182303	DEF FIT - PCB REFINANCING	(5,947,091)			(5,947,091)	-	(5,947,091)
318	283202	283	PCB REFINANCING	m		DEF SIT - PCB REFINANCING	(1,290,741)			(1,290,741)	-	(1,290,741)
319	283203	283	SUN REFINANCING	x	182304	DEF FIT - SUN REFINANCING	315,031			315,031	-	315,031
320	283204	283	SUN REFINANCING	x		DEF SIT - SUN REFINANCING	82,001			82,001	-	82,001
321	283205	283	Zero Balance	Z	-	DEF FIT - SANTA FE LAND DONATION	1,171,094		(1,171,094)	-	-	-
322	283206	283	Zero Balance	Z		DEF SIT - SANTA FE LAND DONATION	254,171		(254,171)	-	-	-
323	283207	283	DEBT ISSUANCE COST	X	181228	DEF FIT REG ASSET - DEBT ISSUANCE	(39,697)			(39,697)	-	(39,697)
324	283208	283	DEBT ISSUANCE COST	X		DEF SIT REG ASSET - DEBT ISSUANCE	(8,614)			(8,614)	-	(8,614)
325	283210	283	LOSS ON REACQUIRED DEBT	M		DEF FIT AMORT LOSS ON REAQC DEBT	(177,718)			(177,718)	-	(177,718)

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10	Doc Ref	acct	sum	Rate Code	Bal Sht Acct	Description	Bal 13Q4	Depr Alloc 13Q4	Adj.s 13Q4	Adj. Bal 13Q4	Activity 14Q1	Bal 14Q1
326	283213	283	LOSS ON REACQUIRED DEBT	M		DEF SIT AMORT LOSS ON REAQC DEBT	(38,571)			(38,571)	-	(38,571)
327	283215	283	SUN REFINANCING	X	189228	DEF FIT AMORT LOSS REACQ DEBT	(1,704,127)			(1,704,127)	-	(1,704,127)
328	283216	283	SUN REFINANCING	X		DEF SIT AMORT LOSS REACQ DEBT	(369,858)			(369,858)	-	(369,858)
329	283217	283	SUN REFINANCING	X	182304	DEF FIT REGULATORY ASSET - SUN	(404,119)			(404,119)	-	(404,119)
330	283218	283	SUN REFINANCING	X		DEF SIT REGULATORY ASSET - SUN	(87,710)			(87,710)	-	(87,710)
331	283223	283	STATE AND LOCAL TAX RESERVE	X		DEFERRED FIT PROPERTY TAX RESERVE	48,312			48,312	-	48,312
332	283224	283	STATE AND LOCAL TAX RESERVE	X		DEFERRED SIT PROPERTY TAX RESERVE	10,485			10,485	-	10,485
333	283225	283	Zero Balance	Z	259511	DEFERRED FIT CALIFORNIA	-			-	-	-
334	283226	283	Zero Balance	Z		DEFERRED SIT CALIFORNIA	-			-	-	-
335	283231	283	PCB REFINANCING	m	189182	DEF FIT AMORT LOSS REACQ DEBT -	801,318			801,318	-	801,318
336	283232	283	PCB REFINANCING	m		DEF SIT AMORT LOSS REACQ DEBT -	173,914			173,914	-	173,914
337	283233	283	PCB REFINANCING	m	189182	DEF FIT LOSS REACQ DEBT - PCB	1,396,404			1,396,404	-	1,396,404
338	283234	283	PCB REFINANCING	m		DEF SIT LOSS REACQ DEBT - PCB	303,072			303,072	-	303,072
339	283235	283	SUN REFINANCING	X	189228	DEF FIT LOSS ON REACQ DEBT - SUN	(789,373)			(789,373)	-	(789,373)
340	283236	283	SUN REFINANCING	X		DEF SIT LOSS ON REACQ DEBT - SUN	(171,323)			(171,323)	-	(171,323)
341	283240	283	SO2 ALLOWANCE CREDITS	X		DEF FIT SO2 ALLOWANCES INVENTORY	225,689			225,689	-	225,689
342	283241	283	SO2 ALLOWANCE CREDITS	X		DEF NM SIT SO2 ALLOWANCES	48,983			48,983	-	48,983
343	283275	283	BAD DEBT ALLOWANCE	X	147150, 252150, 144000	DEF FIT BAD DEBT ALLOWANCE	10,084			10,084	-	10,084
344	283276	283	BAD DEBT ALLOWANCE	X		DEF SIT BAD DEBT ALLOWANCE	2,189			2,189	-	2,189
345	283296	283	PV INCENTIVE PROGRAM	X	182312	PV INCENTIVE PROGRAM FIT	(692,292)			(692,292)	1,063,066	370,774
346	283297	283	PV INCENTIVE PROGRAM	X		PV INCENTIVE PROGRAM SIT	(150,252)			(150,252)	221,608	71,356
347	283298	283	BIO MASS	X	182311	DEFERRED FIT BIOMASS	(76,295)			(76,295)	-	(76,295)
348	283299	283	BIO MASS	X		DEFERRED SIT BIOMASS	(16,559)			(16,559)	-	(16,559)
349	283300	283	RENEWABLE ENERGY CERTIFICATES	X	182305	DEFERRED FIT RENEWABLE ENERGY	(3,738,928)			(3,738,928)	173,891	(3,565,037)
350	283301	283	RENEWABLE ENERGY CERTIFICATES	X		DEFERRED SIT RENEWABLE ENERGY	(811,486)			(811,486)	36,249	(775,237)
351	283317	283	RATE CASE EXPENSE	M		DEF FIT TRANSMISSION RATE CASE	(110,340)			(110,340)	-	(110,340)
352	283318	283	RATE CASE EXPENSE	M		DEF SIT TRANSMISSION RATE CASE	(23,948)			(23,948)	-	(23,948)
353	283325	283	Zero Balance	Z	Tax only	DEF FIT SELF PROPOSED	-			-	-	-
354	283326	283	Zero Balance	Z		DEF SIT SELF PROPOSED	-			-	-	-
355	283361	283	BONUS ACCRUAL	X		DEF FIT RBP 481A ADJ.	3,061,076			3,061,076	-	3,061,076
356	283362	283	BONUS ACCRUAL	X		DEF SIT RBP 481A ADJ.	664,357			664,357	-	664,357
357	283363	283	BONUS ACCRUAL	X		DEF FIT RBP	(3,061,077)			(3,061,077)	-	(3,061,077)
358	283364	283	BONUS ACCRUAL	X		DEF SIT RBP	(664,362)			(664,362)	-	(664,362)
359	283367	283	FIN 48 INTEREST	X	171002, 237008	DEF FIT FIN 48 INT	(2,197,878)			(2,197,878)	-	(2,197,878)
360	283368	283	FIN 48 INTEREST	X		DEF SIT FIN 48 INT	(477,021)			(477,021)	-	(477,021)
361	283369	283	RATE CASE EXPENSE	M		DEF FIT NM RATE CASE	-			-	-	-
362	283370	283	RATE CASE EXPENSE	M		DEF SIT NM RATE CASE	-			-	-	-
363	283382	283	Zero Balance	Z	186000	DEF FIT EMERGENCY FUEL COSTS	-			-	-	-
364	283383	283	Zero Balance	Z		DEF SIT EMERGENCY FUEL COSTS	-			-	-	-
365	283386	283	FIN 48 INTEREST	X	171002, 237008	DEF FIT FIN 48 INT NON-OP	804,211			804,211	-	804,211
366	283387	283	FIN 48 INTEREST	X		DEF SIT FIN 48 INT NON-OP	174,543			174,543	-	174,543
367	283388	283	PVNGS #2 CARRYING COSTS	X	182370	DEF FIT PV 2 CARRYING COSTS	-			-	-	-
368	283389	283	PVNGS #2 CARRYING COSTS	X		DEF SIT PV 2 CARRYING COSTS	-			-	-	-
369	283390	283	RENEWABLE ENERGY EXPENSES	m	186000	DEF FIT RENEWABLE ENERGY	-			-	-	-
370	283391	283	RENEWABLE ENERGY EXPENSES	m		DEF SIT RENEWABLE ENERGY	-			-	-	-

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371	283392	283	SO2 ALLOWANCE CREDITS	x	254097	DEF FIT SO2 ALLOWANCE CREDIT	26,774			26,774	-	26,774
372	283393	283	SO2 ALLOWANCE CREDITS	x		DEF SIT SO2 ALLOWANCE CREDIT	5,812			5,812	-	5,812
373	283395	283	FUEL CLAUSE ADJUSTMENT	x	182320	DEF FIT FUEL CLAUSE ADJUSTMENT	(13,644,245)			(13,644,245)	(1,861,409)	(15,505,654)
374	283397	283	FUEL CLAUSE ADJUSTMENT	x		DEF SIT FUEL CLAUSE ADJUSTMENT	(2,961,308)			(2,961,308)	(388,031)	(3,349,339)
375	283398	283	RATE RIDER 12	x	182323	DEF FIT RATE RIDER 12-UNDERGRO	421,831			421,831	-	421,831
376	283399	283	RATE RIDER 12	x		DEF SIT RATE RIDER 12-UNDERGRO	91,553			91,553	-	91,553
377	283410	283	Renewable Rider	x		DEF FIT Renewable Rider	413,269			413,269	-	413,269
378	283411	283	Renewable Rider	x		DEF SIT Renewable Rider	89,694			89,694	-	89,694
379	283416	283	DEFERRED COAL COSTS	m		DEF FIT Deferred Coal Costs	(1,469,313)			(1,469,313)	301,119	(1,168,194)
380	283417	283	DEFERRED COAL COSTS	m		DEF SIT Deferred Coal Costs	(318,895)			(318,895)	62,772	(256,123)
381	283500	283	Zero Balance	z		DEF SIT state renewable PTCs	-			-	-	-
382	283420	283	SCR DEFERRED EXPENSES	x		DEFERRED FIT SCR DEFERRED EXPE	(1,444,560)			(1,444,560)	(249,602)	(1,694,162)
383	283421	283	SCR DEFERRED EXPENSES	x		DEFERRED SIT SCR DEFERRED EXPE	(313,523)			(313,523)	(52,032)	(365,555)
384			TOU Reg asset/lab	m		TOU Regulatory Asset	-			-	-	-
385	283426	283	EPA BART ALTERNATIVE DEFERRED EXPENSES	x	186000 LOCS 766 770	DEFERRED FIT EPA BART ALTERNAT	-			-	-	-
386	283427	283	EPA BART ALTERNATIVE DEFERRED EXPENSES	x		DEFERRED SIT EPA BART ALTERNAT	-			-	-	-
387	283900	283	Zero Balance	z		CURRENT ADIT LIABILITY	-			-	-	-
388	283000	283	Zero Balance	z		Reverse current ADIT lab reclass	-			-	-	-
389			PENSION AMPP	m	rate case reclasses	-			-	-	-	-
390			Palo Verde Dry Cask Storage 3	m	rate case reclasses	-			-	-	-	-
391	Renew	282	Liberalized Depreciation - Renewables	RR		Liberalized Depreciation - Renewables	-	(37,101,243)		(37,101,243)	-	(37,101,243)
392	CorpDepr	282	Liberalized Depreciation - Other	R		Liberalized Depreciation - Corp	-			-	-	-
393	CorpNOL	190	Net Operating Loss (NOL)	r		NOL - Corporate Allocation	-			-	-	-
394	Gen	282	Liberalized Depreciation - Generation	R		Liberalized Depreciation - Generation	-	(359,696,515)		(359,696,515)	-	(359,696,515)
395	NF12	282	Nuclear Fuel Amortization PV 1&2	R		Nuclear Fuel PV 1&2	-	8,647,565	(2,882,522)	5,765,043	-	5,765,043
396	NF3	282	Nuclear Fuel Amortization PV 3	R		Nuclear Fuel PV 3	-		2,882,522	2,882,522	-	2,882,522
397	Trans	282	Liberalized Depreciation - Transmission	R		Liberalized Depreciation -	-	(80,497,431)		(80,497,431)	-	(80,497,431)
398	Dist	282	Liberalized Depreciation - Distribution	R		Liberalized Depreciation - Distribution	-	(179,212,999)		(179,212,999)	-	(179,212,999)
399	RenewNOL	190	Renewable NOL Allocation	RR		Renewable NOL allocation	-		28,071,118	28,071,118	-	28,071,118
400												
401			Total		Total	(616,522,744)	-	-	(616,522,744)	(9,824,776)	(626,347,520)	
402			G/L ADIT balances by FERC Account		G/L ADIT balances by FERC Account							
403			190000		190000	237,956,432			237,956,432	(4,713,031)	233,243,401	
404			190058		190058	-			-	-	-	
405			190161		190161	15,392,870			15,392,870	-	15,392,870	
406			190162		190162	(67,497,937)			(67,497,937)	-	(67,497,937)	
407			190200		190200	-			-	-	-	
408			190900		190900	53,239,787			53,239,787	-	53,239,787	
409			281000		281000	(5,197,520)			(5,197,520)	-	(5,197,520)	
410			282000		282000	(731,156,312)			(731,156,312)	(4,603,063)	(735,759,375)	
411			282050		282050	-			-	-	-	
412			283000		283000	(129,169,745)			(129,169,746)	(72,317)	(129,236,063)	
413			283050		283050	-			-	-	-	
414			283158		283158	(11,435,298)			(11,435,298)	(196,750)	(11,632,048)	
415			283159		283159	(2,481,869)			(2,481,869)	69,790	(2,412,079)	

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11	190000	190	MISC NON OPERATING	N		-	525,214	-	525,214		-	525,214	-
12	1900003	190	Zero Balance	Z			-	-	-			-	-
13	1900004	190	Zero Balance	Z			-	-	-			-	-
14	1900001	190	TRI STATE RIGHT OF WAY	X		108,238	-	108,238		108,238		108,238	-
15	1900002	190	TRI STATE RIGHT OF WAY	X		(116,156)	-	(116,156)		(116,156)		(116,156)	-
16	190004	190	ALVARADO SQUARE	X		383,930	-	383,930		383,930		383,930	-
17	190005	190	ALVARADO SQUARE	X		83,323	-	83,323		83,323		83,323	-
18	190009	190	WAGES	X		260,285	171,978	432,264		432,264		432,264	-
19	190010	190	WAGES	X		56,491	37,326	93,817		93,817		93,817	-
20	190015	190	Pension Qualified	M		(81,056,028)	340,396	(80,715,632)		(80,715,632)		(80,715,632)	340,397
21	190016	190	Pension Qualified	M		(16,595,433)	70,960	(16,524,473)		(16,524,473)		(16,524,473)	70,962
22	190019	190	Deferred Federal Tax Credits	r		105,491	-	105,491		105,491		105,491	-
23	190023	190	ACCRUED VACATION	X		2,044,694	-	2,044,694		2,044,694		2,044,694	-
24	190024	190	ACCRUED VACATION	X		443,776	-	443,776		443,776		443,776	-
25	190027	190	Zero Balance	Z		-	-	-		-		-	-
26	190028	190	Zero Balance	Z		-	-	-		-		-	-
27	190035	190	Eastern Interconnect Project Gain	m		168,028		168,028		168,028		168,028	-
28	190036	190	Eastern Interconnect Project Gain	m		26,320	-	26,320		26,320		26,320	-
29	190039	190	Palo Verde Prudence Audit 1 & 2	M		140,114	-	140,114		140,114		140,114	-
30	190040	190	Palo Verde Prudence Audit 1 & 2	M		(137,317)	-	(137,317)		(137,317)		(137,317)	-
31	190046	190	Contributions In Aid of Construction	R		27,045,610	374,682	27,420,292		27,420,292		27,420,292	374,682
32	190047	190	Contributions In Aid of Construction	R		5,866,687	78,108	5,944,795		5,944,795		5,944,795	78,108
33	190048	190	TAX CAPITALIZED INTEREST	R		19,351,176	258,127	19,609,303		19,609,303		19,609,303	562,383
34	190049	190	TAX CAPITALIZED INTEREST	R		3,114,464	51,199	3,165,663		3,165,663		3,165,663	117,234
35	190050	190	GAS PLANT DECOMM S FE	N		(126,739)	-	(126,739)		(126,739)		(126,739)	-
36	190051	190	GAS PLANT DECOMM S FE	N		(27,505)	-	(27,505)		(27,505)		(27,505)	-
37	190052	190	ASSET RETIREMENT OBLIGATION	m		(1,142,215)	(1,111,404)	(2,253,619)		(2,253,619)		(2,253,619)	(1,111,404)
38	190053	190	ASSET RETIREMENT OBLIGATION	m		(241,463)	(231,684)	(473,147)		(473,147)		(473,147)	(231,684)
39	190054	190	Zero Balance	Z		-	-	-		-		-	-
40	190055	190	Zero Balance	Z		-	-	-		-		-	-
41	190056	190	Palo Verde Construction Credits 1 & 2	M		118,441	-	118,441		118,441		118,441	-
42	190057	190	Palo Verde Construction Credits 1 & 2	M		25,702	-	25,702		25,702		25,702	-
43	190084	190	GENERAL RESERVE	X		677,606	-	677,606		677,606		677,606	-
44	190085	190	GENERAL RESERVE	X		147,068	-	147,068		147,068		147,068	-
45	190086	190	PCB REFINANCING	m		32,615	-	32,615		32,615		32,615	-
46	190087	190	PCB REFINANCING	m		7,078	-	7,078		7,078		7,078	-
47	190088	190	COMPENSATION EXPENSE	X		(2,976,344)	(111,217)	(3,087,561)		(3,087,561)		(3,087,561)	512,455
48	190089	190	COMPENSATION EXPENSE	X		(554,950)	(106,337)	(661,287)		(661,287)		(661,287)	106,824
49	190115	190	OTHER LEGAL ACCRUALS	X		439,340	-	439,340		439,340		439,340	-
50	190116	190	OTHER LEGAL ACCRUALS	X		95,354	-	95,354		95,354		95,354	-
51	190128	190	NINE MILE TAP	N		59,070	-	59,070		59,070		59,070	-
52	190129	190	NINE MILE TAP	N		12,818	-	12,818		12,818		12,818	-
53	190140	190	PVNGS DECOMM NON UTILITY	N		484,816	-	484,816		484,816		484,816	-
54	190141	190	PVNGS DECOMM NON UTILITY	N		108,318	-	108,318		108,318		108,318	-
55	190142	190	Palo Verde Gain 1 & 2	M		435,833	-	435,833		435,833		435,833	-

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56	190143	190	Palo Verde Gain 1 & 2	M			97,374	-	97,374				97,374
57	190146	190	Deferred Federal Tax Credits	R			8,776,452	(1,299,256)	7,477,196				7,477,196
58	190147	190	Zero Balance	Z			-	-	-				-
59	190148	190	Zero Balance	Z			-	-	-				-
60	190151	190	OTHER POST EMPLOYMENT BENEFITS	X			(912,759)	-	(912,759)				(912,759)
61	190152	190	OTHER POST EMPLOYMENT BENEFITS	X			(198,110)	-	(198,110)				(198,110)
62	190161	190	PENSION VALUATION ALLOWANCE	X			67,196,635	-	67,196,635				67,196,635
63	190162	190	PENSION VALUATION ALLOWANCE	X			(63,293,556)	-	(63,293,556)				(63,293,556)
64	190163	190	REGULATORY RESERVE	X			(4,879)	-	(4,879)				(4,879)
65	190164	190	REGULATORY RESERVE	X			(1,059)	-	(1,059)				(1,059)
66	190165	190	ENVIRONMENTAL LIABILITY	X			4,619	-	4,619				4,619
67	190166	190	ENVIRONMENTAL LIABILITY	X			1,003	-	1,003				1,003
68	190169	190	FAS 109	X			24,483,458	-	24,483,458				24,483,458
69	190170	190	FAS 109	X			49,321,071	-	49,321,071				49,321,071
70	190175	190	WORKERS COMP	X			1,326,779	-	1,326,779				1,326,779
71	190176	190	WORKERS COMP	X			287,959	-	287,959				287,959
72	190177	190	SELF INSURANCE	X			283,363	-	283,363				283,363
73	190178	190	SELF INSURANCE	X			61,500	-	61,500				61,500
74	190187	190	ASSET RETIREMENT OBLIGATION	m			13,004,738	-	13,004,738				13,004,738
75	190188	190	ASSET RETIREMENT OBLIGATION	m			2,822,511	-	2,822,511				2,822,511
76	190191	190	SELF INSURANCE	X			8,837	-	8,837				8,837
77	190192	190	SELF INSURANCE	X			1,912	-	1,912				1,912
78	190193	190	Zero Balance	z			-	-	-				-
79	190194	190	Zero Balance	z			-	-	-				-
80	190195	190	Zero Balance	z			1	-	1				1
81	190196	190	Zero Balance	z			(1)	-	(1)				(1)
82	190201	190	Palo Verde Dry Cask Storage 1 & 2	M			3,915,008	8,601	3,923,609				3,923,609
83	190202	190	Palo Verde Dry Cask Storage 1 & 2	M			849,332	1,793	851,125				851,125
84	190205	190	LINE EXTENSION POLICY	R			786,444	-	786,444				786,444
85	190206	190	LINE EXTENSION POLICY	R			170,687	-	170,687				170,687
86	190209	190	Zero Balance	Z			-	-	-				-
87	190210	190	Zero Balance	Z			-	-	-				-
88	190215	190	OTHER LEGAL ACCRUALS	X			(954,462)	-	(954,462)				(954,462)
89	190216	190	OTHER LEGAL ACCRUALS	X			(207,154)	-	(207,154)				(207,154)
90	190217	190	HI VOLTAGE RESERVE	X			2,042,548	-	2,042,548				2,042,548
91	190218	190	HI VOLTAGE RESERVE	X			443,309	-	443,309				443,309
92	190219	190	STATE AND LOCAL TAX RESERVE	X			-	-	-				-
93	190220	190	STATE AND LOCAL TAX RESERVE	X			-	-	-				-
94	190223	190	Zero Balance	Z			-	-	-				-
95	190224	190	Zero Balance	Z			-	-	-				-
96	190225	190	Zero Balance	Z			-	-	-				-
97	190226	190	Zero Balance	Z			-	-	-				-
98	190229	190	Coal Mine Decommissioning	M			9,889,358	526,878	10,416,236				10,416,236
99	190230	190	Coal Mine Decommissioning	M			2,141,840	109,833	2,251,673				2,251,673
100	190233	190	Zero Balance	Z			-	-	-				109,833

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101	190234	190	Zero Balance	Z		-	-	-	-		-	-	-
102	190235	190	Coal Mine Decommissioning	M			(193,067)	-	(193,067)			(193,067)	-
103	190236	190	Coal Mine Decommissioning	M			(41,903)	-	(41,903)			(41,903)	-
104	190252	190	BAD DEBT ALLOWANCE	X			(54,925)	-	(54,925)			(54,925)	-
105	190253	190	BAD DEBT ALLOWANCE	X			(11,921)	-	(11,921)			(11,921)	-
106	190284	190	Contributions In Aid of Construction	r			1,102,350	-	1,102,350			1,102,350	-
107	190285	190	Contributions In Aid of Construction	r			239,251	-	239,251			239,251	-
108	190287	190	BIOMASS	x			(27,508)	-	(27,508)			(27,508)	-
109	190288	190	BIOMASS	x			16,561	-	16,561			16,561	-
110	190291	190	PREPAID RENT REVENUE	X			22,017	-	22,017			22,017	-
111	190292	190	PREPAID RENT REVENUE	X			4,778	-	4,778			4,778	-
112	190293	190	REVENUE SUBJECT TO REFUND	x			310,647	140,472	451,119			451,119	167,705
113	190294	190	REVENUE SUBJECT TO REFUND	x			66,409	29,283	95,692			95,692	34,960
114	190310	190	Net Operating Loss (NOL)	R		(3,520,320)	59,045,226	850,561	59,895,787		401,862	60,297,649	(23,824,036)
115	190311	190	Net Operating Loss (NOL)	R			36,169,855	698,224	36,866,079			36,866,079	(5,088,062)
116	190312	190	Zero Balance	z			-	-	-			-	-
117	190313	190	Zero Balance	z			-	-	-			-	-
118	190343	190	Zero Balance	z			-	-	-			-	-
119	190344	190	Zero Balance	z			-	-	-			-	-
120	190345	190	SIGS GROUNDWATER RESERVE	X			45,395	-	45,395			45,395	-
121	190346	190	SIGS GROUNDWATER RESERVE	X			9,853	-	9,853			9,853	-
122	190347	190	Zero Balance	z			-	-	-			-	-
123	190348	190	Zero Balance	z			-	-	-			-	-
124	190349	190	Zero Balance	z			-	-	-			-	-
125	190350	190	Zero Balance	z			-	-	-			-	-
126	190358	190	INJURY & DAMAGES	M			14,679	-	14,679			14,679	-
127	190359	190	INJURY & DAMAGES	M			3,186	-	3,186			3,186	-
128	190360	190	INJURY & DAMAGES	M			986,093	-	986,093			986,093	-
129	190361	190	INJURY & DAMAGES	M			214,022	-	214,022			214,022	-
130	190362	190	INJURY & DAMAGES	M			(3)	-	(3)			(3)	-
131	190363	190	INJURY & DAMAGES	M			2	-	2			2	-
132	190364	190	INJURY & DAMAGES	M			610,727	-	610,727			610,727	-
133	190365	190	INJURY & DAMAGES	M			132,544	-	132,544			132,544	-
134	190366	190	ROW RESERVE	X			238,922	-	238,922			238,922	-
135	190367	190	ROW RESERVE	X			51,854	-	51,854			51,854	-
136	190369	190	FEDERAL TAX CORRECTION	N			40,597	-	40,597			40,597	-
137	190370	190	FEDERAL TAX CORRECTION	N			(100,534)	-	(100,534)			(100,534)	-
138	190381	190	ROW RESERVE	X			(253,776)	-	(253,776)			(253,776)	-
139	190382	190	ROW RESERVE	X			(55,081)	-	(55,081)			(55,081)	-
140	190383	190	Zero Balance	Z			-	-	-			-	-
141	190384	190	Zero Balance	Z			-	-	-			-	-
142	190385	190	Palo Verde Construction Credits 1 & 2	m			(46,240)	-	(46,240)			(46,240)	-
143	190386	190	Palo Verde Construction Credits 1 & 2	m			(10,036)	-	(10,036)			(10,036)	-
144	190388	190	PROPERTY TAX RESERVE	X			(214,909)	267,112	52,203			52,203	-
145	190390	190	PROPERTY TAX RESERVE	X			(46,643)	57,974	11,331			11,331	-

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146	190395	190 Zero Balance		Z		-	-	-	-	-	-	-	-
147	190396	190 Zero Balance		Z		-	-	-	-	-	-	-	-
148	190399	190 Zero Balance		z		-	-	12,378	12,378	(12,378)	-	-	-
149	190400	190 Zero Balance		z		-	-	2,686	2,686	(2,686)	-	-	-
150	190401	190 RATE RIDER		x		(2,157)	(310,410)	(312,567)	(312,567)	(312,567)	-	-	-
151	190402	190 RATE RIDER		x		(468)	(67,371)	(67,839)	(67,839)	(67,839)	-	-	-
152	190403	190 RENEWABLE CREDITS		x		14,407,752	-	14,407,752	14,407,752	14,407,752	-	-	-
153	190404	190 INCENTIVE PAY PLANS		X		2,256,892	-	2,256,892	2,256,892	2,256,892	-	-	-
154	190405	190 INCENTIVE PAY PLANS		X		489,830	-	489,830	489,830	489,830	-	-	-
155	190406	190 ENERGY EFFICIENCY		X		1,175,767	-	1,175,767	1,175,767	1,175,767	-	-	-
156	190407	190 ENERGY EFFICIENCY		x		255,185	-	255,185	255,185	255,185	-	-	-
157	190413	190 NM SOLAR ENERGY CENTER		X		27,982	-	27,982	27,982	27,982	-	-	-
158	190414	190 NM SOLAR ENERGY CENTER		X		6,074	-	6,074	6,074	6,074	-	-	-
159	190415	190 DOE SPENT FUEL SETTLEMENT		m		96,430	-	96,430	96,430	96,430	1,911,312	1,911,312	
160	190416	190 DOE SPENT FUEL SETTLEMENT		m		20,930	-	20,930	20,930	20,930	398,434	398,434	
161	190419	190 SIERRA CLUB		X		-	-	-	-	-	-	-	-
162	190420	190 SIERRA CLUB		X		-	-	-	-	-	-	-	-
163	190421	190 LVGS Decommissioning		m		315,852	-	315,852	315,852	315,852	-	-	-
164	190422	190 LVGS Decommissioning		m		68,552	-	68,552	68,552	68,552	-	-	-
165	190423	190 EXTENDED LEAVE		x		33,786	-	33,786	33,786	33,786	-	-	-
166	190424	190 EXTENDED LEAVE		x		7,331	-	7,331	7,331	7,331	-	-	-
167	190425	190 Coal Mine Decommissioning		M		(5,882)	-	(5,882)	(5,882)	(5,882)	-	-	-
168	190426	190 Coal Mine Decommissioning		M		(1,277)	-	(1,277)	(1,277)	(1,277)	-	-	-
169	190429	190 EFFECT OF NM TAX RATE		x		382,565	-	382,565	382,565	382,565	-	-	-
170	190430	190 EFFECT OF NM TAX RATE		x		64,490	-	64,490	64,490	64,490	-	-	-
171	190431	190 Renewable NM AETC		RR		1,377,209	-	1,377,209	1,377,209	1,377,209	-	-	-
172	190432	190 Renewable NM AETC		RR		298,905	-	298,905	298,905	298,905	-	-	-
173	190433	190 NAVAJO WORKFORCE TRAINING		x		195,174	-	195,174	195,174	195,174	-	-	-
174	190434	190 NAVAJO WORKFORCE TRAINING		x		42,360	-	42,360	42,360	42,360	-	-	-
175	190435	190 SJGS AUDIT RESERVES		x		223,259	871,136	1,094,395	12,378	1,106,773	(1,095,420)		
176	190436	190 SJGS AUDIT RESERVES		x		49,683	181,598	231,281	2,686	233,967	(228,353)		
177	190437	190 SJ RECLAMATION TRUST		x		16,921	-	16,921	16,921	16,921	-	-	-
178	190438	190 SJ RECLAMATION TRUST		x		3,673	-	3,673	3,673	3,673	-	-	-
179	190441	190 Net Operating Loss (NOL)		R		-	-	-	-	-	-	-	-
180	190442	190 Net Operating Loss (NOL)		R		-	-	-	-	-	-	-	-
181	190443	190 FOUR CORNERS SURTAX SETTLEMENT		x		-	-	-	-	-	-	-	-
182	190444	190 FOUR CORNERS SURTAX SETTLEMENT		x		-	-	-	-	-	-	-	-
183	190445	190 DOE SPENT FUEL SETTLEMENT		m		-	-	-	-	-	-	-	-
184	190446	190 DOE SPENT FUEL SETTLEMENT		m		-	-	-	-	-	-	-	-
185	190447	190 DOE SPENT FUEL SETTLEMENT		m		-	-	-	-	-	-	-	-
186	190448	190 DOE SPENT FUEL SETTLEMENT		m		-	-	-	-	-	-	-	-
187	190900	190 Zero Balance		z		-	-	-	-	-	-	-	-
188	281000	281 Pollution Control Facilities 4 Corners		R		(458,264)		(458,264)		(458,264)			
189	281001	281 Pollution Control Facilities 4 Corners		R		(73,454)		(73,454)		(73,454)			
190	281003	281 FAS 109		X		(3,812,392)		(3,812,392)		(3,812,392)			

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151	281004	281	FAS 109	X			(853,410)	-	(853,410)			(853,410)	-
192	282000	282	LIBERALIZED DEPRECIATION NONOP	N			3,121,008	-	3,121,008			3,121,008	-
193	282001	282	LIBERALIZED DEPRECIATION NONOP	N			739,203	-	739,203			739,203	-
194	282003	282	Liberalized Depreciation - Other	R	5,294,563	885,018	233,964,264	(3,222,325)	230,741,939	15,217,437	(7,663,617)	238,295,759	(3,546,334)
195	282004	282	Liberalized Depreciation - Other	R		184,491	(79,705,891)	(620,563)	(80,326,454)		(1,670,881)	(81,997,335)	(777,699)
196	282005	282	FERC Customer Depreciation	R			972,703	-	972,703			972,703	-
197	282006	282	FERC Customer Depreciation	R			290,589	-	290,589			290,589	-
198	282007	282	Palo Verde Start-Up Amortization	R			263,465	-	263,465			263,465	-
199	282008	282	Palo Verde Start-Up Amortization	R			(13,439)	-	(13,439)			(13,439)	-
200	282009	282	Nuclear Fuel Amortization PV 1&2	R	-		-	-	-			-	-
201	282010	282	Nuclear Fuel Amortization PV 1&2	R	-		-	-	-			-	-
202	282011	282	Liberalized Depreciation - PV 3	R			(55,437,784)	-	(55,437,784)			(55,437,784)	-
203	282012	282	Liberalized Depreciation - PV 3	R			(11,381,591)	-	(11,381,591)			(11,381,591)	-
204	282013	282	Liberalized Depreciation - Other	R			(16,096,598)	-	(16,096,598)			(16,096,598)	-
205	282014	282	Liberalized Depreciation - Other	R			(2,193,518)	-	(2,193,518)			(2,193,518)	-
206	282015	282	Zero Balance	Z		-	-	-	-			-	-
207	282016	282	Zero Balance	Z		-	-	-	-			-	-
208	282017	282	Debt AFUDC	R			(15,006,749)	(345,242)	(15,352,091)			(15,352,091)	(345,342)
209	282018	282	Debt AFUDC	R			(3,278,215)	(71,991)	(3,350,206)			(3,350,206)	(71,991)
210	282019	282	Palo Verde Licensing Amortization	R			(3,537,187)	-	(3,537,187)			(3,537,187)	-
211	282020	282	Palo Verde Licensing Amortization	R			(770,447)	-	(770,447)			(770,447)	-
212	282021	282	ASSET RETIREMENT OBLIGATION	m			15,740,285	644,247	17,384,532			17,384,532	644,247
213	282022	282	ASSET RETIREMENT OBLIGATION	m			3,624,285	134,301	3,758,586			3,758,586	134,301
214	282025	282	Pre-1981 Repair Allowance	R			(18,190,422)	-	(18,190,422)			(18,190,422)	-
215	282026	282	Pre-1981 Repair Allowance	R			(3,948,000)	-	(3,948,000)			(3,948,000)	-
216	282031	282	Liberalized Depreciation - Other	R			1,767,848	-	1,767,848			1,767,848	-
217	282032	282	Liberalized Depreciation - Other	R			383,691	-	383,691			383,691	-
218	282033	282	FAS 109	x			(27,176,231)	-	(27,176,231)			(27,176,231)	-
219	282034	282	FAS 109	x			(8,158,951)	-	(8,158,951)			(8,158,951)	-
220	282050	282	Zero Balance	Z		-	-	-	-			-	-
221	282051	282	Zero Balance	Z		-	-	-	-			-	-
222	282052	282	ASSET RETIREMENT OBLIGATION	M			21,918,421	455,313	22,373,734			22,373,734	455,313
223	282053	282	ASSET RETIREMENT OBLIGATION	M			4,753,204	94,914	4,848,118			4,848,118	94,914
224	282185	282	Liberalized Depreciation - Other	R			-	-	-			-	-
225	282186	282	Liberalized Depreciation - Other	R			-	-	-			-	-
226	282187	282	Zero Balance	Z		-	-	-	-			-	-
227	282188	282	Zero Balance	Z		-	-	-	-			-	-
228	282189	282	Zero Balance	Z		-	-	-	-			-	-
229	282190	282	Zero Balance	Z		-	-	-	-			-	-
230	282191	282	Zero Balance	Z		-	-	-	-			-	-
231	282192	282	Zero Balance	Z		-	-	-	-			-	-
232	282193	282	Zero Balance	Z		-	-	-	-			-	-
233	282194	282	Zero Balance	Z		-	-	-	-			-	-
234	282195	282	Zero Balance	Z		-	-	-	-			-	-
235	282196	282	Zero Balance	Z		-	-	-	-			-	-

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236	282197	282	Zero Balance	Z		-	-	-	-		-	-	-
237	282198	282	Zero Balance	Z		-	-	-	-		-	-	-
238	282201	282	Zero Balance	Z		-	-	-	-		-	-	-
239	282202	282	Zero Balance	Z		-	-	-	-		-	-	-
240	282203	282	ASSET RETIREMENT OBLIGATION	m		224,672	-	224,672	-		224,672	-	-
241	282204	282	ASSET RETIREMENT OBLIGATION	m		48,762	-	48,762	-		48,762	-	-
242	282243	282	Zero Balance	Z		-	-	-	-		-	-	-
243	282244	282	Zero Balance	Z		-	-	-	-		-	-	-
244	282267	282	AFTON WRITEDOWN	R		6,503,263	-	6,503,263	-		6,503,263	-	-
245	282268	282	AFTON WRITEDOWN	R		1,411,449	-	1,411,449	-		1,411,449	-	-
246	282304	282	Nuclear Fuel Amortization PV 1&2	R	-	-	-	-	-		-	-	-
247	282305	282	Nuclear Fuel Amortization PV 1&2	R	-	-	-	-	-		-	-	-
248	282306	282	Zero Balance	Z		-	-	316,860	316,860		(316,860)	-	-
249	282307	282	Zero Balance	Z		-	-	68,770	68,770		(68,770)	-	-
250	282308	282	Zero Balance	Z		(885,018)	-	(7,980,477)	(7,980,477)		7,980,477	-	885,018
251	282309	282	Zero Balance	Z		(184,491)	-	(1,739,651)	(1,739,651)		1,739,651	-	184,491
252	282310	282	Zero Balance	Z		-	-	-	-		-	-	-
253	282311	282	Zero Balance	Z		-	-	-	-		-	-	-
254	282312	282	Zero Balance	Z		-	-	-	-		-	-	-
255	282313	282	Zero Balance	Z		-	-	-	-		-	-	-
256	282314	282	Zero Balance	Z		-	-	-	-		-	-	-
257	282315	282	Zero Balance	Z		-	-	-	-		-	-	-
258	282318	282	Zero Balance	z		-	-	(10)	(10)		10	-	-
259	282319	282	Zero Balance	z		-	-	(2)	(2)		2	-	-
260	282320	282	Liberalized Depreciation - Other	R		(122,407,091)	(1,870,134)	(124,277,225)		(10)	(124,277,235)	(1,870,134)	
261	282321	282	Liberalized Depreciation - Other	R		[24,472,639]	[389,847]	[24,862,486]		(2)	(24,862,488)	(389,847)	
262	282322	282	ALVARADO SQUARE ABANDONMENT	m		(1,294,338)	-	(1,294,338)	-		(1,294,338)	-	-
263	282323	282	ALVARADO SQUARE ABANDONMENT	m		(280,920)	-	(280,920)	-		(280,920)	-	-
264	282386	282	Zero Balance	Z		-	-	-	-		-	-	-
265	282387	282	Zero Balance	Z		-	-	-	-		-	-	-
266	282500	282	Zero Balance	Z		-	-	-	-		-	-	-
267	283001	283	BONUS ACCRUAL	X		(575,272)	-	(575,272)	-		(575,272)	-	-
268	283002	283	BONUS ACCRUAL	X		(124,855)	-	(124,855)	-		(124,855)	-	-
269	283004	283	Zero Balance	Z		-	-	-	-		-	-	-
270	283005	283	Zero Balance	Z		-	-	-	-		-	-	-
271	283008	283	Zero Balance	Z		-	-	-	-		-	-	-
272	283009	283	Zero Balance	Z		-	-	-	-		-	-	-
273	283010	283	LOSS ON REACQUIRED DEBT	M		(3,119,659)	(209,051)	(3,328,710)			(3,328,710)	-	-
274	283013	283	LOSS ON REACQUIRED DEBT	M		(653,346)	(45,372)	(698,718)			(698,718)	-	-
275	283019	283	GAIN REACQUIRED DEBT	X		(174,832)	-	(174,832)			(174,832)	-	-
276	283020	283	GAIN REACQUIRED DEBT	X		(37,942)	-	(37,942)			(37,942)	-	-
277	283023	283	Pension Qualified	M		(740,908)	-	(740,908)			(740,908)	-	-
278	283024	283	Pension Qualified	M		(160,794)	-	(160,794)			(160,794)	-	-
279	283034	283	RATE CASE EXPENSE	M		(379,968)	18,176	(361,792)			(361,792)	9,705	
280	283035	283	RATE CASE EXPENSE	M		(82,562)	3,789	(78,773)			(78,773)	2,023	

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281	283144	283	FAS 109	X			(15,830,604)	-	(15,830,604)			(15,830,604)	-
282	283145	283	FAS 109	X			(3,630,338)	-	(3,630,338)			(3,630,338)	-
283	283154	283	ASSET RETIREMENT OBLIGATION	m			(18,781,459)	(398,523)	(19,179,992)			(19,179,992)	(398,523)
284	283155	283	ASSET RETIREMENT OBLIGATION	m			(4,072,855)	(83,076)	(4,155,931)			(4,155,931)	(83,076)
285	283156	283	COMPENSATION EXPENSE	x			(6,080)	-	(6,080)			(6,080)	-
286	283157	283	COMPENSATION EXPENSE	x			(1,320)	-	(1,320)			(1,320)	-
287	283158	283	PVNGS DECOMM NON UTILITY	N			(13,127,125)	(310,415)	(13,437,540)			(13,437,540)	1,136,336
288	283159	283	PVNGS DECOMM NON UTILITY	N			(2,736,495)	(64,709)	(2,801,204)			(2,801,204)	236,882
289	283160	283	FAS 115	X			(1,163,510)	-	(1,163,510)			(1,163,510)	-
290	283161	283	FAS 115	X			231,489	-	231,489			231,489	-
291	283162	283	MARK TO MARKET	x			33,686,865	(434,030)	33,252,835			33,252,835	(792,991)
292	283163	283	MARK TO MARKET	x			8,917,233	(90,478)	8,826,754			8,826,754	(165,308)
293	283164	283	Zero Balance	Z			-	-	-			-	-
294	283165	283	Zero Balance	Z			-	-	-			-	-
295	283166	283	Zero Balance	Z			-	-	-			-	-
296	283167	283	Zero Balance	Z			-	-	-			-	-
297	283168	283	UNREALIZED GAIN ON ENERGY TRADING	X			940,316	138,988	1,079,304			1,079,304	(1,061,536)
298	283169	283	UNREALIZED GAIN ON ENERGY TRADING	X			196,356	28,974	225,330			225,330	(221,310)
299	283170	283	Zero Balance	Z			-	-	-			-	-
300	283171	283	Zero Balance	Z			-	-	-			-	-
301	283174	283	HEDGE LOSS	N			395,030	-	395,030			395,030	-
302	283175	283	HEDGE LOSS	N			62,030	-	62,030			62,030	-
303	283180	283	ACCURED ILLNESS	X			248,655	-	248,655			248,655	-
304	283181	283	ACCURRED ILLNESS	X			53,972	-	53,972			53,972	-
305	283182	283	BOOK CAPITALIZED INTEREST	R			(5,786,118)	-	(5,786,118)			(5,786,118)	-
306	283183	283	BOOK CAPITALIZED INTEREST	R			(1,255,805)	-	(1,255,805)			(1,255,805)	-
307	283185	283	Zero Balance	Z			-	-	-			-	-
308	283186	283	Zero Balance	Z			-	-	-			-	-
309	283187	283	ASSET RETIREMENT OBLIGATION	m			(20,042,441)	-	(20,042,441)			(20,042,441)	-
310	283188	283	ASSET RETIREMENT OBLIGATION	m			(4,349,953)	-	(4,349,953)			(4,349,953)	-
311	283189	283	Zero Balance	Z			-	-	-			-	-
312	283190	283	Zero Balance	Z			-	-	-			-	-
313	283191	283	Coal Mine Decommissioning	M			(11,723,858)	-	(11,723,858)			(11,723,858)	-
314	283192	283	Coal Mine Decommissioning	M			(2,544,512)	-	(2,544,512)			(2,544,512)	-
315	283193	283	PREPAID EXPENSES	R			(3,026,563)	-	(3,026,563)			(3,026,563)	-
316	283194	283	PREPAID EXPENSES	R			(656,873)	-	(656,873)			(656,873)	-
317	283201	283	PCB REFINANCING	m			(5,947,091)	-	(5,947,091)			(5,947,091)	-
318	283202	283	PCB REFINANCING	m			(1,290,741)	-	(1,290,741)			(1,290,741)	-
319	283203	283	SUN REFINANCING	X			315,031	1,126,830	1,441,861			1,441,861	-
320	283204	283	SUN REFINANCING	X			82,001	244,564	326,565			326,565	-
321	283205	283	Zero Balance	Z			-	-	-			-	-
322	283206	283	Zero Balance	Z			-	-	-			-	-
323	283207	283	DEBT ISSUANCE COST	X			(39,697)	-	(39,697)			(39,697)	-
324	283208	283	DEBT ISSUANCE COST	X			(8,614)	-	(8,614)			(8,614)	-
325	283210	283	LOSS ON REACQUIRED DEBT	M			(177,718)	-	(177,718)			(177,718)	-

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326	283213	283	LOSS ON REACQUIRED DEBT	M			(38,571)	-	(38,571)			(38,571)	-
327	283215	283	SUN REFINANCING	X			(1,704,127)	-	(1,704,127)			(1,704,127)	-
328	283216	283	SUN REFINANCING	X			(369,858)	-	(369,858)			(369,858)	-
329	283217	283	SUN REFINANCING	X			(404,119)	-	(404,119)			(404,119)	-
330	283218	283	SUN REFINANCING	X			(87,710)	-	(87,710)			(87,710)	-
331	283223	283	STATE AND LOCAL TAX RESERVE	X			48,312	-	48,312			48,312	-
332	283224	283	STATE AND LOCAL TAX RESERVE	X			10,485	-	10,485			10,485	-
333	283225	283	Zero Balance	z			-	-	-			-	-
334	283226	283	Zero Balance	z			-	-	-			-	-
335	283231	283	PCB REFINANCING	m			801,318	-	801,318			801,318	-
336	283232	283	PCB REFINANCING	m			173,914	-	173,914			173,914	-
337	283233	283	PCB REFINANCING	m			1,396,404	-	1,396,404			1,396,404	-
338	283234	283	PCB REFINANCING	m			303,072	-	303,072			303,072	-
339	283235	283	SUN REFINANCING	x			(789,373)	(580,040)	(1,369,413)			(1,369,413)	-
340	283236	283	SUN REFINANCING	x			(171,323)	(125,890)	(297,213)			(297,213)	-
341	283240	283	SO2 ALLOWANCE CREDITS	x			225,589	(225,688)	1			1	-
342	283241	283	SO2 ALLOWANCE CREDITS	x			48,983	(48,983)	-			-	-
343	283275	283	BAD DEBT ALLOWANCE	X			10,084	-	10,084			10,084	-
344	283276	283	BAD DEBT ALLOWANCE	X			2,189	-	2,189			2,189	-
345	283295	283	PV INCENTIVE PROGRAM	x			370,774	116,622	487,396			487,396	61,941
346	283297	283	PV INCENTIVE PROGRAM	x			71,356	24,311	95,667			95,667	12,912
347	283298	283	BIOMASS	x			(76,295)	-	(76,295)			(76,295)	-
348	283299	283	BIOMASS	x			(16,559)	-	(16,559)			(16,559)	-
349	283300	283	RENEWABLE ENERGY CERTIFICATES	x			(3,565,037)	610,170	(2,954,867)			(2,954,867)	1,358,945
350	283301	283	RENEWABLE ENERGY CERTIFICATES	x			(775,237)	127,197	(648,040)			(648,040)	283,287
351	283317	283	RATE CASE EXPENSE	M			(110,340)	-	(110,340)			(110,340)	-
352	283318	283	RATE CASE EXPENSE	M			(23,948)		(23,948)			(23,948)	-
353	283325	283	Zero Balance	z			-	-	-			-	-
354	283326	283	Zero Balance	z			-	-	-			-	-
355	283361	283	BONUS ACCRUAL	X			3,061,076	-	3,061,076			3,061,076	-
356	283362	283	BONUS ACCRUAL	X			664,357	-	664,357			664,357	-
357	283363	283	BONUS ACCRUAL	X			(3,061,077)	-	(3,061,077)			(3,061,077)	-
358	283364	283	BONUS ACCRUAL	X			(664,362)	-	(664,362)			(664,362)	-
359	283367	283	FIN 48 INTEREST	X			(2,197,878)	-	(2,197,878)			(2,197,878)	-
360	283368	283	FIN 48 INTEREST	X			(477,021)	-	(477,021)			(477,021)	-
361	283369	283	RATE CASE EXPENSE	M			-	-	-			-	-
362	283370	283	RATE CASE EXPENSE	M			-	-	-			-	-
363	283382	283	Zero Balance	Z			-	-	-			-	-
364	283383	283	Zero Balance	Z			-	-	-			-	-
365	283386	283	FIN 48 INTEREST	X			804,211	-	804,211			804,211	-
366	283387	283	FIN 48 INTEREST	X			174,543	-	174,543			174,543	-
367	283388	283	PVNGS #2 CARRYING COSTS	X			-	-	-			-	-
368	283389	283	PVNGS #2 CARRYING COSTS	X			-	-	-			-	-
369	283390	283	RENEWABLE ENERGY EXPENSES	M			-	-	-			-	-
370	283391	283	RENEWABLE ENERGY EXPENSES	M			-	-	-			-	-

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371	283392	283	SO2 ALLOWANCE CREDITS	x			26,774	-	26,774			26,774	-
372	283393	283	SO2 ALLOWANCE CREDITS	x			5,812	-	5,812			5,812	-
373	283396	283	FUEL CLAUSE ADJUSTMENT	x			(15,505,654)	(3,611,109)	(19,116,763)			(19,116,763)	3,513,506
374	283397	283	FUEL CLAUSE ADJUSTMENT	x			(3,349,839)	(752,776)	(4,102,115)			(4,102,115)	732,429
375	283398	283	RATE RIDER 12	x			421,831	-	421,831			421,831	-
376	283399	283	RATE RIDER 12	x			91,553	-	91,553			91,553	-
377	283410	283	Renewable Rider	X			413,269	-	413,269			413,269	-
378	283411	283	Renewable Rider	X			89,694	-	89,694			89,694	-
379	283416	283	DEFERRED COAL COSTS	m			(1,158,194)	225,779	(942,415)			(942,415)	227,414
380	283417	283	DEFERRED COAL COSTS	m			(256,123)	47,056	(209,057)			(209,057)	47,407
381	283500	283	Zero Balance	Z			-	-	-			-	-
382	283420	283	SCR DEFERRED EXPENSES	x			(1,694,162)	(133,883)	(1,828,045)			(1,828,045)	116,085
383	283421	283	SCR DEFERRED EXPENSES	x			(365,555)	(27,909)	(393,464)			(393,464)	24,199
384			TOU Reg asset/liab	m			-	-	-			-	-
385	283426	283	EPA BART ALTERNATIVE DEFERRED EXPENSES	X			-	-	-			-	-
386	283427	283	EPA BART ALTERNATIVE DEFERRED EXPENSES	X			-	-	-			-	-
387	283900	283	Zero Balance	Z			-	-	-			-	-
388	283000	283	Zero Balance	Z			-	-	-			-	-
389			PENSION AMPP	m			-	-	-			-	-
390			Palo Verde Dry Cask Storage 3	m			-	-	-			-	-
391	Renew	282	Liberalized Depreciation - Renewables	RR	(134,735)		(37,235,978)	-	(37,235,978)	(116,890)		(37,352,368)	
392	CorpDepr	282	Liberalized Depreciation - Other	R			-	-	-			-	-
393	CorpNOL	190	Net Operating Loss (NOL)	r			-	-	-			-	-
394	Gen	282	Liberalized Depreciation - Generation	R	(843,287)	-	(360,539,802)	-	(360,539,802)	(10,784,494)	-	(371,324,296)	
395	NF12	282	Nuclear Fuel Amortization PV 1&2	R	-		5,765,043	-	5,765,043	-		5,765,043	
396	NF3	282	Nuclear Fuel Amortization PV 3	R	-		2,882,522	-	2,882,522	-		2,882,522	
397	Trans	282	Liberalized Depreciation - Transmission	R	(1,675,153)		(82,172,584)	-	(82,172,584)	(1,675,165)		(83,847,749)	
398	Dist	282	Liberalized Depreciation - Distribution	R	(2,641,388)		(181,854,387)	-	(181,854,387)	(2,641,388)		(184,495,775)	
399	RenewNOL	190	Renewable NOL Allocation	RR		3,520,320	31,591,438	-	31,591,438	(401,862)		31,189,576	
400													
401			Total		-	-	(626,347,520)	(17,053,777)	(643,401,298)	-	-	(643,401,298)	[25,793,220]
402			G/L ADIT balances by FERC Account										
403			190000				233,243,401	1,901,626	235,145,027			235,145,027	(26,230,384)
404			190058				-	-	-			-	-
405			190161				15,392,870	-	15,392,870			15,392,870	
406			190162				(67,497,937)	-	(67,497,937)			(67,497,937)	
407			190200				-	-	-			-	-
408			190900				53,239,787	-	53,239,787			53,239,787	
409			281000				(5,197,520)	-	(5,197,520)			(5,197,520)	
410			282000				(735,759,375)	(14,125,941)	(749,885,316)			(749,885,316)	(4,603,063)
411			282050				-	-	-			-	-
412			283000				(129,236,063)	(3,529,834)	(132,765,897)			(132,765,897)	4,625,308
413			283050				-	-	-			-	-
414			283158				(11,532,048)	(310,415)	(11,942,463)			(11,942,463)	1,136,336
415			283159				(2,412,079)	(64,709)	(2,476,788)			(2,476,788)	236,882

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11	190000	190	MISC NON OPERATING	N	525,214			525,214	40,821,926	41,347,140		(40,821,926)	525,214
12	190003	190	Zero Balance	Z	-			-	-	-			-
13	190004	190	Zero Balance	Z	-			-	-	-			-
14	190001	190	TRI STATE RIGHT OF WAY	X	108,238			108,238	-	108,238			108,238
15	190002	190	TRI STATE RIGHT OF WAY	X	(116,156)			(116,156)	-	(116,156)			(116,156)
16	190004	190	ALVARADO SQUARE	X	383,930			383,930	-	383,930			383,930
17	190005	190	ALVARADO SQUARE	X	83,323			83,323	-	83,323			83,323
18	190009	190	WAGES	X	432,264			432,264	(158,277)	273,987			273,987
19	190010	190	WAGES	X	93,817			93,817	(32,995)	60,822			60,822
20	190015	190	Pension Qualified	M	(80,375,235)			(80,375,235)	(9,632,594)	(90,007,829)			(90,007,829)
21	190016	190	Pension Qualified	M	(16,453,511)			(16,453,511)	(2,008,025)	(18,461,536)			(18,461,536)
22	190019	190	Deferred Federal Tax Credits	r	105,491			105,491	-	105,491			105,491
23	190023	190	ACCURED VACATION	X	2,044,694			2,044,694	(7,494)	2,037,200			2,037,200
24	190024	190	ACCURED VACATION	X	443,776			443,776	(1,678)	442,098			442,098
25	190027	190	Zero Balance	Z	-			-	-	-			-
26	190028	190	Zero Balance	Z	-			-	-	-			-
27	190035	190	Eastern Interconnect Project Gain	m	168,028			168,028	(166,584)	1,444			1,444
28	190036	190	Eastern Interconnect Project Gain	m	26,320			26,320	-	26,320			26,320
29	190039	190	Palo Verde Prudence Audit 1 & 2	M	140,114			140,114	(58,768)	81,346			81,346
30	190040	190	Palo Verde Prudence Audit 1 & 2	M	(137,317)			(137,317)	(12,251)	(149,568)			(149,568)
31	190046	190	Contributions In Aid of Construction	R	27,794,974			27,794,974	(752,734)	27,042,240			27,042,240
32	190047	190	Contributions In Aid of Construction	R	6,022,903			6,022,903	(154,065)	5,868,838			5,868,838
33	190048	190	TAX CAPITALIZED INTEREST	R	20,171,686			20,171,686	(1,593,369)	18,578,323			18,578,323
34	190049	190	TAX CAPITALIZED INTEREST	R	3,282,897			3,282,897	(333,697)	2,949,200			2,949,200
35	190050	190	GAS PLANT DECOMM S FE	N	(126,739)			(126,739)	(9,805)	(135,544)			(136,544)
36	190051	190	GAS PLANT DECOMM S FE	N	(27,505)			(27,505)	(2,044)	(29,549)			(29,549)
37	190052	190	ASSET RETIREMENT OBLIGATION	m	(3,365,023)			(3,365,023)	(1,036,400)	(4,401,423)			(4,401,423)
38	190053	190	ASSET RETIREMENT OBLIGATION	m	(704,831)			(704,831)	(216,051)	(920,882)			(920,882)
39	190054	190	Zero Balance	Z	-			-	-	-			-
40	190055	190	Zero Balance	Z	-			-	-	-			-
41	190056	190	Palo Verde Construction Credits 1 & 2	M	118,441			118,441	(23,185)	95,256			95,256
42	190057	190	Palo Verde Construction Credits 1 & 2	M	25,702			25,702	(4,833)	20,869			20,869
43	190084	190	GENERAL RESERVE	X	677,606			677,606	146,763	824,369			824,369
44	190085	190	GENERAL RESERVE	X	147,068			147,068	31,528	178,596			178,596
45	190086	190	PCB REFINANCING	m	32,615			32,615	-	32,615			32,615
46	190087	190	PCB REFINANCING	m	7,078			7,078	-	7,078			7,078
47	190088	190	COMPENSATION EXPENSE	X	(2,575,106)			(2,575,106)	205,849	(2,369,257)			(2,369,257)
48	190089	190	COMPENSATION EXPENSE	X	(554,463)			(554,463)	42,910	(511,553)			(511,553)
49	190115	190	OTHER LEGAL ACCRUALS	X	439,340			439,340	-	439,340			439,340
50	190116	190	OTHER LEGAL ACCRUALS	X	95,354			95,354	-	95,354			95,354
51	190128	190	NINE MILE TAP	N	59,070			59,070	(38,080)	20,990			20,990
52	190129	190	NINE MILE TAP	N	12,818			12,818	(7,938)	4,880			4,880
53	190140	190	PVNGS DECOMM NON UTILITY	N	484,816			484,816	-	484,816			484,816
54	190141	190	PVNGS DECOMM NON UTILITY	N	108,318			108,318	-	108,318			108,318
55	190142	190	Palo Verde Gain 1 & 2	M	435,833			435,833	-	435,833			435,833

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56	190143	190	Palo Verde Gain 1 & 2	M	97,374			97,374	-	97,374			97,374
57	190146	190	Deferred Federal Tax Credits	R	7,477,196			7,477,196	892,029	8,369,225			8,369,225
58	190147	190	Zero Balance	Z	-			-	-	-			-
59	190148	190	Zero Balance	Z	-			-	-	-			-
60	190151	190	OTHER POST EMPLOYMENT BENEFITS	x	(912,759)			(912,759)	(1,409,198)	(2,321,957)			(2,321,957)
61	190152	190	OTHER POST EMPLOYMENT BENEFITS	x	(198,110)			(198,110)	(293,763)	(491,873)			(491,873)
62	190161	190	PENSION VALUATION ALLOWANCE	x	67,196,635			67,196,635	-	67,196,635			67,196,635
63	190162	190	PENSION VALUATION ALLOWANCE	x	(63,293,556)			(63,293,556)	-	(63,293,556)			(63,293,556)
64	190163	190	REGULATORY RESERVE	X	(4,879)			(4,879)	-	(4,879)			(4,879)
65	190164	190	REGULATORY RESERVE	X	(1,059)			(1,059)	-	(1,059)			(1,059)
66	190165	190	ENVIRONMENTAL LIABILITY	X	4,619			4,619	-	4,619			4,619
67	190166	190	ENVIRONMENTAL LIABILITY	X	1,003			1,003	-	1,003			1,003
68	190169	190	FAS 109	X	24,483,458			24,483,458	4,866,253	29,349,711			29,349,711
69	190170	190	FAS 109	X	49,321,071			49,321,071	(4,824,998)	44,496,073			44,496,073
70	190175	190	WORKERS COMP	x	1,326,779			1,326,779	(390,055)	936,724			936,724
71	190176	190	WORKERS COMP	x	287,959			287,959	(81,312)	206,647			206,647
72	190177	190	SELF INSURANCE	x	283,363			283,363	(82,478)	200,885			200,885
73	190178	190	SELF INSURANCE	x	61,500			61,500	(17,193)	44,307			44,307
74	190187	190	ASSET RETIREMENT OBLIGATION	m	13,004,738			13,004,738	-	13,004,738			13,004,738
75	190188	190	ASSET RETIREMENT OBLIGATION	m	2,822,511			2,822,511	-	2,822,511			2,822,511
76	190191	190	SELF INSURANCE	X	8,837			8,837	-	8,837			8,837
77	190192	190	SELF INSURANCE	X	1,912			1,912	-	1,912			1,912
78	190193	190	Zero Balance	Z	-			-	-	-			-
79	190194	190	Zero Balance	Z	-			-	-	-			-
80	190195	190	Zero Balance	Z	1			1	-	1			1
81	190196	190	Zero Balance	Z	(1)			(1)	-	(1)			(1)
82	190201	190	Palo Verde Dry Cask Storage 1 & 2	M	3,953,737			3,953,737	59,844	4,013,581			4,013,581
83	190202	190	Palo Verde Dry Cask Storage 1 & 2	M	857,405			857,405	12,475	869,881			869,881
84	190205	190	LINE EXTENSION POLICY	R	786,444			786,444	-	786,444			786,444
85	190206	190	LINE EXTENSION POLICY	R	170,687			170,687	-	170,687			170,687
86	190209	190	Zero Balance	Z	-			-	-	-			-
87	190210	190	Zero Balance	Z	-			-	-	-			-
88	190215	190	OTHER LEGAL ACCRUALS	X	(954,462)			(954,462)	(8,971)	(963,433)			(963,433)
89	190216	190	OTHER LEGAL ACCRUALS	X	(207,154)			(207,154)	(1,870)	(209,024)			(209,024)
90	190217	190	HI VOLTAGE RESERVE	X	2,042,548			2,042,548	-	2,042,548			2,042,548
91	190218	190	HI VOLTAGE RESERVE	X	443,309			443,309	-	443,309			443,309
92	190219	190	STATE AND LOCAL TAX RESERVE	X	-			-	-	-			-
93	190220	190	STATE AND LOCAL TAX RESERVE	X	-			-	-	-			-
94	190223	190	Zero Balance	Z	-			-	-	-			-
95	190224	190	Zero Balance	Z	-			-	-	-			-
96	190225	190	Zero Balance	Z	-			-	-	-			-
97	190226	190	Zero Balance	Z	-			-	-	-			-
98	190229	190	Coal Mine Decommissioning	M	10,943,114			10,943,114	1,245,767	12,188,881			12,188,881
99	190230	190	Coal Mine Decommissioning	M	2,361,506			2,361,506	259,696	2,621,202			2,621,202
100	190233	190	Zero Balance	Z	-			-	-	-			-

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101	190234	190	Zero Balance	Z	-		-	-	-	-		-	-
102	190235	190	Coal Mine Decommissioning	M	(193,067)			(193,067)	-	(193,067)			(193,067)
103	190236	190	Coal Mine Decommissioning	M	(41,903)			(41,903)	-	(41,903)			(41,903)
104	190252	190	BAD DEBT ALLOWANCE	X	(54,925)			(54,925)	(5,188)	(60,113)			(60,113)
105	190253	190	BAD DEBT ALLOWANCE	X	(11,921)			(11,921)	5,188	(5,733)			(5,733)
106	190284	190	Contributions In Aid of Construction	r	1,102,350			1,102,350	-	1,102,350			1,102,350
107	190285	190	Contributions In Aid of Construction	r	239,251			239,251	-	239,251			239,251
108	190287	190	BIO MASS	x	(27,508)			(27,508)	-	(27,508)			(27,508)
109	190288	190	BIO MASS	x	16,561			16,561	-	16,561			16,561
110	190291	190	PREPAID RENT REVENUE	X	22,017			22,017	(23,145)	(1,128)			(1,128)
111	190292	190	PREPAID RENT REVENUE	X	4,778			4,778	(4,825)	(47)			(47)
112	190293	190	REVENUE SUBJECT TO REFUND	X	618,824			618,824	(352,273)	266,551			266,551
113	190294	190	REVENUE SUBJECT TO REFUND	X	130,652			130,652	(73,435)	57,217			57,217
114	190310	190	Net Operating Loss (NOL)	R	36,473,613		398,492	36,872,105	42,572,561	79,244,666		432,166	79,676,832
115	190311	190	Net Operating Loss (NOL)	R	31,778,017			31,778,017	8,572,670	40,350,687			40,350,687
116	190312	190	Zero Balance	z	-			-	-	-			-
117	190313	190	Zero Balance	z	-			-	-	-			-
118	190343	190	Zero Balance	z	-			-	-	-			-
119	190344	190	Zero Balance	z	-			-	-	-			-
120	190345	190	SIGS GROUNDWATER RESERVE	X	45,395			45,395	51,678	97,073			97,073
121	190346	190	SIGS GROUNDWATER RESERVE	X	9,853			9,853	10,773	20,626			20,626
122	190347	190	Zero Balance	z	-			-	-	-			-
123	190348	190	Zero Balance	z	-			-	-	-			-
124	190349	190	Zero Balance	z	-			-	-	-			-
125	190350	190	Zero Balance	z	-			-	-	-			-
126	190358	190	INJURY & DAMAGES	M	14,679			14,679	-	14,679			14,679
127	190359	190	INJURY & DAMAGES	M	3,186			3,186	-	3,186			3,186
128	190360	190	INJURY & DAMAGES	M	986,093			986,093	(82,433)	903,660			903,660
129	190361	190	INJURY & DAMAGES	M	214,022			214,022	(17,163)	195,839			195,839
130	190362	190	INJURY & DAMAGES	M	(3)			(3)	-	(3)			(3)
131	190363	190	INJURY & DAMAGES	M	2			2	-	2			2
132	190364	190	INJURY & DAMAGES	M	610,727			610,727	(1,765)	608,962			608,962
133	190365	190	INJURY & DAMAGES	M	132,544			132,544	(367)	132,177			132,177
134	190366	190	ROW RESERVE	X	238,922			238,922	-	238,922			238,922
135	190367	190	ROW RESERVE	X	51,854			51,854	-	51,854			51,854
136	190369	190	FEDERAL TAX CORRECTION	N	40,597			40,597	-	40,597			40,597
137	190370	190	FEDERAL TAX CORRECTION	N	(100,534)			(100,534)	-	(100,534)			(100,534)
138	190381	190	ROW RESERVE	X	(253,776)			(253,776)	(16,344)	(270,120)			(270,120)
139	190382	190	ROW RESERVE	X	(55,081)			(55,081)	(3,407)	(58,488)			(58,488)
140	190383	190	Zero Balance	Z	-			-	-	-			-
141	190384	190	Zero Balance	Z	-			-	-	-			-
142	190385	190	Palo Verde Construction Credits 1 & 2	m	(46,240)			(46,240)	-	(46,240)			(46,240)
143	190386	190	Palo Verde Construction Credits 1 & 2	m	(10,036)			(10,036)	-	(10,036)			(10,036)
144	190389	190	PROPERTY TAX RESERVE	X	52,203			52,203	-	52,203			52,203
145	190390	190	PROPERTY TAX RESERVE	X	11,331			11,331	-	11,331			11,331

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146	190395	190	Zero Balance	Z	-			-	-	-			-
147	190396	190	Zero Balance	Z	-			-	-	-			-
148	190399	190	Zero Balance	z	-			-	-	-			-
149	190400	190	Zero Balance	z	-			-	-	-			-
150	190401	190	RATE RIDER	x	(312,567)			(312,567)	9,628	(302,939)			(302,939)
151	190402	190	RATE RIDER	x	(67,839)			(67,839)	2,007	(65,832)			(65,832)
152	190403	190	RENEWABLE CREDITS	x	14,407,752			14,407,752	13,156,849	27,564,601			27,564,601
153	190404	190	INCENTIVE PAY PLANS	X	2,256,892			2,256,892	25,813	2,282,705			2,282,705
154	190405	190	INCENTIVE PAY PLANS	X	489,830			489,830	5,381	495,211			495,211
155	190406	190	ENERGY EFFICIENCY	x	1,175,767			1,175,767	-	1,175,767			1,175,767
156	190407	190	ENERGY EFFICIENCY	x	255,185			255,185	-	255,185			255,185
157	190413	190	NM SOLAR ENERGY CENTER	X	27,982			27,982	70,369	98,351			98,351
158	190414	190	NM SOLAR ENERGY CENTER	X	6,074			6,074	14,669	20,743			20,743
159	190415	190	DOE SPENT FUEL SETTLEMENT	m	2,007,742			2,007,742	(2,008,012)	(270)			(270)
160	190416	190	DOE SPENT FUEL SETTLEMENT	m	419,364			419,364	(418,592)	772			772
161	190419	190	SIERRA CLUB	X	-			-	-	-			-
162	190420	190	SIERRA CLUB	X	-			-	-	-			-
163	190421	190	LVGS Decommissioning	m	315,852			315,852	39,429	355,281			355,281
164	190422	190	LVGS Decommissioning	m	68,552			68,552	8,219	76,771			76,771
165	190423	190	EXTENDED LEAVE	x	33,786			33,786	(10,374)	23,412			23,412
166	190424	190	EXTENODE LEAVE	x	7,331			7,331	(2,162)	5,169			5,169
167	190425	190	Coal Mine Decommissioning	M	(5,882)			(5,882)	(89,866)	(95,748)			(95,748)
168	190426	190	Coal Mine Decommissioning	M	(1,277)			(1,277)	(18,733)	(20,010)			(20,010)
169	190429	190	EFFECT OF NM TAX RATE	X	382,565			382,565	-	382,565			382,565
170	190430	190	EFFECT OF NM TAX RATE	X	64,490			64,490	-	64,490			64,490
171	190431	190	Renewable NM AETC	RR	1,377,209			1,377,209	(63,296)	1,313,913			1,313,913
172	190432	190	Renewable NM AETC	RR	298,905			298,905	(13,195)	285,710			285,710
173	190433	190	NAVAJO WORKFORCE TRAINING	X	195,174			195,174	(182)	194,992			194,992
174	190434	190	NAVAJO WORKFORCE TRAINING	X	42,360			42,360	520	42,880			42,880
175	190435	190	SIGS AUDIT RESERVES	X	11,353			11,353	-	11,353			11,353
176	190436	190	SIGS AUDIT RESERVES	X	5,614			5,614	-	5,614			5,614
177	190437	190	SI RECLAMATION TRUST	X	16,921			16,921	80,705	97,626			97,626
178	190438	190	SI RECLAMATION TRUST	X	3,673			3,673	17,096	20,769			20,769
179	190441	190	Net Operating Loss (NOL)	R	-			-	1,155,243	1,155,243			1,155,243
180	190442	190	Net Operating Loss (NOL)	R	-			-	(3,300,692)	(3,300,692)			(3,300,692)
181	190443	190	FOUR CORNERS SURTAX SETTLEMENT	X	-			-	153,640	153,640			153,640
182	190444	190	FOUR CORNERS SURTAX SETTLEMENT	X	-			-	32,028	32,028			32,028
183	190445	190	DOE SPENT FUEL SETTLEMENT	m	-			-	637,833	637,833			637,833
184	190446	190	DOE SPENT FUEL SETTLEMENT	m	-			-	132,963	132,963			132,963
185	190447	190	DOE SPENT FUEL SETTLEMENT	m	-			-	1,182,507	1,182,507			1,182,507
186	190448	190	DOE SPENT FUEL SETTLEMENT	m	-			-	246,507	246,507			246,507
187	190800	190	Zero Balance	z	-			-	(40,821,926)	(40,821,926)			40,821,926
188	281000	281	Pollution Control Facilities 4 Corners	R	(458,264)			(458,264)	19,096	(439,168)			(439,168)
189	281001	281	Pollution Control Facilities 4 Corners	R	(73,454)			(73,454)	3,981	(69,473)			(69,473)
190	281003	281	FAS 109	X	(3,812,392)			(3,812,392)	332,679	(3,479,713)			(3,479,713)

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9	M=Included in base period rate base at MDC value			09/30/14			09/30/14	2014Q4	12/31/14			12/31/14	
10	Doc Ref	acct	sum	Rate Code	Bal 14Q3	Depr Alloc 14Q3	Adj.s 14Q3	Adj. Bal 14Q3	Activity 14Q4	Bal 14Q4	Depr Alloc 14Q4	Adj.s 14Q4	Adj. Bal 14Q4
191	281004	281	FAS 109	X	(853,410)			(853,410)	105,948	(747,462)			(747,462)
192	282000	282	LIBERALIZED DEPRECIATION NONOP	N	3,121,008			3,121,008	337,175	3,458,183			3,458,183
193	282001	282	LIBERALIZED DEPRECIATION NONOP	N	739,203			739,203	70,288	809,491			809,491
194	282003	282	Liberalized Depreciation - Other	R	234,749,425	5,294,563	885,018	240,929,006	(25,562,434)	215,366,572	59,070,772	(7,330,460)	267,106,884
195	282004	282	Liberalized Depreciation - Other	R	(82,775,034)		184,491	(82,590,543)	(5,330,313)	(87,920,856)		(1,534,498)	(89,455,354)
196	282005	282	FERC Customer Depreciation	R	972,703			972,703	(2,569)	970,134			970,134
197	282006	282	FERC Customer Depreciation	R	290,589			290,589	(536)	290,053			290,053
198	282007	282	Palo Verde Start-Up Amortization	R	263,465			263,465	-	263,465			263,465
199	282008	282	Palo Verde Start-Up Amortization	R	(13,439)			(13,439)	-	(13,439)			(13,439)
200	282009	282	Nuclear Fuel Amortization PV 1&2	R	-	-	-	-	738,715	738,715			-
201	282010	282	Nuclear Fuel Amortization PV 1&2	R	-	-	-	-	153,993	153,993	(153,993)		-
202	282011	282	Liberalized Depreciation - PV 3	R	(55,437,784)			(55,437,784)	(6,247,563)	(61,685,347)			(61,685,347)
203	282012	282	Liberalized Depreciation - PV 3	R	(11,381,591)			(11,381,591)	1,389,621	(9,991,970)			(9,991,970)
204	282013	282	Liberalized Depreciation - Other	R	(16,096,598)			(16,096,598)	1,656,951	(14,439,647)			(14,439,647)
205	282014	282	Liberalized Depreciation - Other	R	(2,193,518)			(2,193,518)	345,586	(1,847,932)			(1,847,932)
206	282015	282	Zero Balance	Z	-		-	-	-	-			-
207	282016	282	Zero Balance	Z	-		-	-	-	-			-
208	282017	282	Debt AFUDC	R	(15,697,433)			(15,697,433)	(320,180)	(16,017,613)			(16,017,613)
209	282018	282	Debt AFUDC	R	(3,422,197)			(3,422,197)	(66,743)	(3,488,940)			(3,488,940)
210	282019	282	Palo Verde Licensing Amortization	R	(3,537,187)			(3,537,187)	(148,294)	(3,685,481)			(3,685,481)
211	282020	282	Palo Verde Licensing Amortization	R	(770,447)			(770,447)	(30,913)	(801,360)			(801,360)
212	282021	282	ASSET RETIREMENT OBLIGATION	M	18,028,779			18,028,779	957,995	18,986,774			18,986,774
213	282022	282	ASSET RETIREMENT OBLIGATION	M	3,892,887			3,892,887	201,047	4,093,934			4,093,934
214	282025	282	Pre-1981 Repair Allowance	R	(18,190,422)			(18,190,422)	-	(18,190,422)			(18,190,422)
215	282026	282	Pre-1981 Repair Allowance	R	(3,948,000)			(3,948,000)	-	(3,948,000)			(3,948,000)
216	282031	282	Liberalized Depreciation - Other	R	1,767,848			1,767,848	332	1,768,180			1,768,180
217	282032	282	Liberalized Depreciation - Other	R	383,691			383,691	(950)	382,741			382,741
218	282033	282	FAS 109	X	(27,176,231)			(27,176,231)	(5,605,019)	(32,781,249)			(32,781,249)
219	282034	282	FAS 109	X	(8,158,951)			(8,158,951)	3,815,623	(4,343,328)			(4,343,328)
220	282050	282	Zero Balance	Z	-		-	-	-	-			-
221	282051	282	Zero Balance	Z	-		-	-	-	-			-
222	282052	282	ASSET RETIREMENT OBLIGATION	M	22,829,047			22,829,047	690,643	23,519,690			23,519,690
223	282053	282	ASSET RETIREMENT OBLIGATION	M	4,943,032			4,943,032	143,975	5,087,007			5,087,007
224	282185	282	Liberalized Depreciation - Other	R	-		-	-	-	-			-
225	282186	282	Liberalized Depreciation - Other	R	-		-	-	-	-			-
226	282187	282	Zero Balance	Z	-		-	-	-	-			-
227	282188	282	Zero Balance	Z	-		-	-	-	-			-
228	282189	282	Zero Balance	Z	-		-	-	-	-			-
229	282190	282	Zero Balance	Z	-		-	-	-	-			-
230	282191	282	Zero Balance	Z	-		-	-	-	-			-
231	282192	282	Zero Balance	Z	-		-	-	-	-			-
232	282193	282	Zero Balance	Z	-		-	-	-	-			-
233	282194	282	Zero Balance	Z	-		-	-	-	-			-
234	282195	282	Zero Balance	Z	-		-	-	(395,901)	(395,901)		395,901	-
235	282196	282	Zero Balance	Z	-		-	-	(77,503)	(77,503)		77,503	-

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10	Doc Ref	acct	sum	Rate Code	Bal 14Q3	Depr Alloc 14Q3	Adj.s 14Q3	Adj. Bal 14Q3	Activity 14Q4	Bal 14Q4	Depr Alloc 14Q4	Adj.s 14Q4	Adj. Bal 14Q4
236	282197	282	Zero Balance	Z	-		-	-	-	-		-	-
237	282198	282	Zero Balance	Z	-		-	-	-	-		-	-
238	282201	282	Zero Balance	Z	-		-	-	-	-		-	-
239	282202	282	Zero Balance	Z	-		-	-	-	-		-	-
240	282203	282	ASSET RETIREMENT OBLIGATION	m	224,672			224,672	-	224,672			224,672
241	282204	282	ASSET RETIREMENT OBLIGATION	m	48,762			48,762	-	48,762			48,762
242	282243	282	Zero Balance	Z	-		-	-	(320,174)	(320,174)		320,174	-
243	282244	282	Zero Balance	Z	-		-	-	(66,747)	(66,747)		66,747	-
244	282267	282	AFTON WRITEDOWN	R	6,503,263			6,503,263	-	6,503,263			6,503,263
245	282268	282	AFTON WRITEDOWN	R	1,411,449			1,411,449	-	1,411,449			1,411,449
246	282304	282	Nuclear Fuel Amortization PV 1&2	R	-		-	-	-	-		-	-
247	282305	282	Nuclear Fuel Amortization PV 1&2	R	-		-	-	-	-		-	-
248	282306	282	Zero Balance	Z	-		-	-	(2,070,286)	(2,070,286)		2,070,286	-
249	282307	282	Zero Balance	Z	-		-	-	(436,843)	(436,843)		436,843	-
250	282308	282	Zero Balance	Z	885,018		(885,018)	-	(4,544,099)	(4,544,099)		4,544,099	-
251	282309	282	Zero Balance	Z	184,491		(184,491)	-	(953,405)	(953,405)		953,405	-
252	282310	282	Zero Balance	Z	-		-	-	-	-		-	-
253	282311	282	Zero Balance	Z	-		-	-	-	-		-	-
254	282312	282	Zero Balance	Z	-		-	-	-	-		-	-
255	282313	282	Zero Balance	Z	-		-	-	-	-		-	-
256	282314	282	Zero Balance	Z	-		-	-	-	-		-	-
257	282315	282	Zero Balance	Z	-		-	-	-	-		-	-
258	282318	282	Zero Balance	Z	-		-	-	-	-		-	-
259	282319	282	Zero Balance	Z	-		-	-	-	-		-	-
260	282320	282	Liberalized Depreciation - Other	R	(126,147,369)			(126,147,369)	57,820	(126,089,549)			(126,089,549)
261	282321	282	Liberalized Depreciation - Other	R	(25,252,335)			(25,252,335)	62,727	(25,189,608)			(25,189,608)
262	282322	282	ALVARADO SQUARE ABANDONMENT	m	(1,294,338)			(1,294,338)	-	(1,294,338)			(1,294,338)
263	282323	282	ALVARADO SQUARE ABANDONMENT	m	(280,920)			(280,920)	-	(280,920)			(280,920)
264	282386	282	Zero Balance	Z	-		-	-	-	-		-	-
265	282387	282	Zero Balance	Z	-		-	-	-	-		-	-
266	282500	282	Zero Balance	Z	-		-	-	-	-		-	-
267	283001	283	BONUS ACCRUAL	X	(575,272)			(575,272)	-	(575,272)			(575,272)
268	283002	283	BONUS ACCRUAL	X	(124,855)			(124,855)	-	(124,855)			(124,855)
269	283004	283	Zero Balance	Z	-		-	-	-	-		-	-
270	283005	283	Zero Balance	Z	-		-	-	-	-		-	-
271	283008	283	Zero Balance	Z	-		-	-	-	-		-	-
272	283009	283	Zero Balance	Z	-		-	-	-	-		-	-
273	283010	283	LOSS ON REACQUIRED DEBT	M	(3,328,710)			(3,328,710)	56,943	(3,271,767)			(3,271,767)
274	283013	283	LOSS ON REACQUIRED DEBT	M	(698,718)			(698,718)	11,870	(686,848)			(686,848)
275	283019	283	GAIN REACQUIRED DEBT	X	(174,832)			(174,832)	-	(174,832)			(174,832)
276	283020	283	GAIN REACQUIRED DEBT	X	(37,942)			(37,942)	-	(37,942)			(37,942)
277	283023	283	Pension Qualified	m	(740,908)			(740,908)	-	(740,908)			(740,908)
278	283024	283	Pension Qualified	m	(160,794)			(160,794)	-	(160,794)			(160,794)
279	283034	283	RATE CASE EXPENSE	M	(352,087)			(352,087)	(145,721)	(497,808)			(497,808)
280	283035	283	RATE CASE EXPENSE	M	(76,750)			(76,750)	(30,378)	(107,128)			(107,128)

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10	Doc Ref	acct	sum	Rate Code	Bal 14Q3	Depr Alloc 14Q3	Adj.s 14Q3	Adj. Bal 14Q3	Activity 14Q4	Bal 14Q4	Depr Alloc 14Q4	Adj.s 14Q4	Adj. Bal 14Q4
281	283144	283	FAS 109	X	(15,830,604)			(15,830,604)	(1,117,310)	(16,947,914)			(16,947,914)
282	283145	283	FAS 109	X	(3,630,336)			(3,630,336)	674,675	(2,955,663)			(2,955,663)
283	283154	283	ASSET RETIREMENT OBLIGATION	m	(19,578,515)			(19,578,515)	(398,524)	(19,977,039)			(19,977,039)
284	283155	283	ASSET RETIREMENT OBLIGATION	m	(4,239,007)			(4,239,007)	(83,078)	(4,322,085)			(4,322,085)
285	283156	283	COMPENSATION EXPENSE	x	(6,080)			(6,080)	-	(6,080)			(6,080)
286	283157	283	COMPENSATION EXPENSE	x	(1,320)			(1,320)	-	(1,320)			(1,320)
287	283158	283	PVNGS DECOMM NON UTILITY	N	(12,301,205)			(12,301,205)	(1,658,577)	(13,959,782)			(13,959,782)
288	283159	283	PVNGS DECOMM NON UTILITY	N	(2,564,323)			(2,564,323)	(456,554)	(3,020,876)			(3,020,876)
289	283160	283	FAS 115	X	(1,163,510)			(1,163,510)	-	(1,163,510)			(1,163,510)
290	283161	283	FAS 115	X	231,489			231,489	-	231,489			231,489
291	283162	283	MARK TO MARKET	x	32,459,845			32,459,845	6,359,887	38,819,732			38,819,732
292	283163	283	MARK TO MARKET	x	8,661,447			8,661,447	(2,125,061)	6,536,386			6,536,386
293	283164	283	Zero Balance	Z	-			-	-	-			-
294	283165	283	Zero Balance	Z	-			-	-	-			-
295	283166	283	Zero Balance	Z	-			-	-	-			-
296	283167	283	Zero Balance	Z	-			-	-	-			-
297	283168	283	UNREALIZED GAIN ON ENERGY TRADING	X	17,668			17,668	(2,099,651)	(2,081,983)			(2,081,983)
298	283169	283	UNREALIZED GAIN ON ENERGY TRADING	X	4,020			4,020	(437,695)	(433,675)			(433,675)
299	283170	283	Zero Balance	Z	-			-	-	-			-
300	283171	283	Zero Balance	Z	-			-	-	-			-
301	283174	283	HEDGE LOSS	N	395,030			395,030	-	395,030			395,030
302	283175	283	HEDGE LOSS	N	62,030			62,030	-	62,030			62,030
303	283180	283	ACCURED ILLNESS	X	248,655			248,655	-	248,655			248,655
304	283181	283	ACCURED ILLNESS	X	53,972			53,972	-	53,972			53,972
305	283182	283	BOOK CAPITALIZED INTEREST	R	(5,786,118)			(5,786,118)	(343,773)	(6,129,891)			(6,129,891)
306	283183	283	BOOK CAPITALIZED INTEREST	R	(1,255,805)			(1,255,805)	(71,563)	(1,327,468)			(1,327,468)
307	283185	283	Zero Balance	Z	-			-	-	-			-
308	283186	283	Zero Balance	Z	-			-	-	-			-
309	283187	283	ASSET RETIREMENT OBLIGATION	m	(20,042,441)			(20,042,441)	-	(20,042,441)			(20,042,441)
310	283188	283	ASSET RETIREMENT OBLIGATION	m	(4,349,953)			(4,349,953)	-	(4,349,953)			(4,349,953)
311	283189	283	Zero Balance	z	-			-	-	-			-
312	283190	283	Zero Balance	z	-			-	-	-			-
313	283191	283	Coal Mine Decommissioning	M	(11,723,858)			(11,723,858)	-	(11,723,858)			(11,723,858)
314	283192	283	Coal Mine Decommissioning	M	(2,544,512)			(2,544,512)	-	(2,544,512)			(2,544,512)
315	283193	283	PREPAID EXPENSES	R	(3,026,563)			(3,026,563)	(111,024)	(3,137,587)			(3,137,587)
316	283194	283	PREPAID EXPENSES	R	(656,873)			(656,873)	(25,143)	(680,016)			(680,016)
317	283201	283	PCB REFINANCING	m	(5,947,091)			(5,947,091)	275,458	(5,671,633)			(5,671,633)
318	283202	283	PCB REFINANCING	m	(1,290,741)			(1,290,741)	57,422	(1,233,319)			(1,233,319)
319	283203	283	SUN REFINANCING	x	1,441,861			1,441,861	5,310	1,447,171			1,447,171
320	283204	283	SUN REFINANCING	x	326,565			326,565	1,107	327,572			327,572
321	283205	283	Zero Balance	Z	-			-	-	-			-
322	283206	283	Zero Balance	Z	-			-	-	-			-
323	283207	283	DEBT ISSUANCE COST	X	(39,697)			(39,697)	23,304	(16,393)			(16,393)
324	283208	283	DEBT ISSUANCE COST	X	(8,614)			(8,614)	4,858	(3,756)			(3,756)
325	283210	283	LOSS ON REACQUIRED DEBT	M	(177,718)			(177,718)	-	(177,718)			(177,718)

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9	M=Included in base period rate base at MDC value			09/30/14			09/30/14	2014Q4	12/31/14				12/31/14
10	Doc Ref	acct	sum	Rate Code	Bal 14Q3	Depr Alloc 14Q3	Adj.s 14Q3	Adj. Bal 14Q3	Activity 14Q4	Bal 14Q4	Depr Alloc 14Q4	Adj.s 14Q4	Adj. Bal 14Q4
326	283213	283	LOSS ON REACQUIRED DEBT	M	(38,571)			(38,571)	-	(38,571)			(38,571)
327	283215	283	SUN REFINANCING	X	(1,704,127)			(1,704,127)	-	(1,704,127)			(1,704,127)
328	283216	283	SUN REFINANCING	X	(369,858)			(369,858)	-	(369,858)			(369,858)
329	283217	283	SUN REFINANCING	X	(404,119)			(404,119)	237,221	(166,898)			(166,898)
330	283218	283	SUN REFINANCING	X	(87,710)			(87,710)	49,451	(38,259)			(38,259)
331	283223	283	STATE AND LOCAL TAX RESERVE	X	48,312			48,312	-	48,312			48,312
332	283224	283	STATE AND LOCAL TAX RESERVE	X	10,485			10,485	-	10,485			10,485
333	283225	283	Zero Balance	Z	-			-	-	-			-
334	283226	283	Zero Balance	Z	-			-	-	-			-
335	283231	283	PCB REFINANCING	M	801,318			801,318	70,633	871,951			871,951
336	283232	283	PCB REFINANCING	M	173,914			173,914	14,724	188,638			188,638
337	283233	283	PCB REFINANCING	M	1,396,404			1,396,404	-	1,396,404			1,396,404
338	283234	283	PCB REFINANCING	M	303,072			303,072	-	303,072			303,072
339	283235	283	SUN REFINANCING	X	(1,369,413)			(1,369,413)	-	(1,369,413)			(1,369,413)
340	283236	283	SUN REFINANCING	X	(297,213)			(297,213)	-	(297,213)			(297,213)
341	283240	283	SO2 ALLOWANCE CREDITS	X	1			1	-	1			1
342	283241	283	SO2 ALLOWANCE CREDITS	X	-			-	-	-			-
343	283275	283	BAD DEBT ALLOWANCE	X	10,084			10,084	-	10,084			10,084
344	283276	283	BAD DEBT ALLOWANCE	X	2,189			2,189	-	2,189			2,189
345	283296	283	PV INCENTIVE PROGRAM	X	549,337			549,337	(1,084,197)	(534,860)			(534,860)
346	283297	283	PV INCENTIVE PROGRAM	X	108,579			108,579	(226,012)	(117,433)			(117,433)
347	283298	283	BIOMASS	X	(76,295)			(76,295)	-	(76,295)			(76,295)
348	283299	283	BIOMASS	X	(16,559)			(16,559)	-	(16,559)			(16,559)
349	283300	283	RENEWABLE ENERGY CERTIFICATES	X	(1,595,922)			(1,595,922)	549,250	(1,046,672)			(1,046,672)
350	283301	283	RENEWABLE ENERGY CERTIFICATES	X	(364,753)			(364,753)	114,498	(250,255)			(250,255)
351	283317	283	RATE CASE EXPENSE	M	(110,340)			(110,340)	-	(110,340)			(110,340)
352	283318	283	RATE CASE EXPENSE	M	(23,948)			(23,948)	-	(23,948)			(23,948)
353	283325	283	Zero Balance	Z	-			-	-	-			-
354	283326	283	Zero Balance	Z	-			-	-	-			-
355	283361	283	BONUS ACCRUAL	X	3,061,076			3,061,076	-	3,061,076			3,061,076
356	283362	283	BONUS ACCRUAL	X	664,357			664,357	-	664,357			664,357
357	283363	283	BONUS ACCRUAL	X	(3,061,077)			(3,061,077)	-	(3,061,077)			(3,061,077)
358	283364	283	BONUS ACCRUAL	X	(664,362)			(664,362)	-	(664,362)			(664,362)
359	283367	283	FIN 48 INTEREST	X	(2,197,878)			(2,197,878)	123	(2,197,755)			(2,197,755)
360	283368	283	FIN 48 INTEREST	X	(477,021)			(477,021)	26	(476,995)			(476,995)
361	283369	283	RATE CASE EXPENSE	M	-			-	-	-			-
362	283370	283	RATE CASE EXPENSE	M	-			-	-	-			-
363	283382	283	Zero Balance	Z	-			-	-	-			-
364	283383	283	Zero Balance	Z	-			-	-	-			-
365	283386	283	FIN 48 INTEREST	X	804,211			804,211	156,215	960,426			960,426
366	283387	283	FIN 48 INTEREST	X	174,543			174,543	32,565	207,108			207,108
367	283388	283	PVNGS #2 CARRYING COSTS	X	-			-	-	-			-
368	283389	283	PVNGS #2 CARRYING COSTS	X	-			-	-	-			-
369	283390	283	RENEWABLE ENERGY EXPENSES	M	-			-	-	-			-
370	283391	283	RENEWABLE ENERGY EXPENSES	M	-			-	-	-			-

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9	M=Included in base period rate base at MDC value				09/30/14			09/30/14	2014Q4	12/31/14			12/31/14
10	Doc Ref	acct	sum	Rate Code	Bal 14Q3	Depr Alloc 14Q3	Adj.s 14Q3	Adj. Bal 14Q3	Activity 14Q4	Bal 14Q4	Depr Alloc 14Q4	Adj.s 14Q4	Adj. Bal 14Q4
371	283392	283	SO2 ALLOWANCE CREDITS	x	26,774			26,774	61	26,835			26,835
372	283393	283	SO2 ALLOWANCE CREDITS	x	5,812			5,812	13	5,825			5,825
373	283396	283	FUEL CLAUSE ADJUSTMENT	x	(15,603,257)			(15,603,257)	1,389,072	(14,214,185)			(14,214,185)
374	283397	283	FUEL CLAUSE ADJUSTMENT	x	(3,369,686)			(3,369,686)	289,568	(3,080,118)			(3,080,118)
375	283398	283	RATE RIDER 12	x	421,831			421,831	-	421,831			421,831
376	283399	283	RATE RIDER 12	x	91,553			91,553	-	91,553			91,553
377	283410	283	Renewable Rider	x	413,269			413,269	(64,028)	349,241			349,241
378	283411	283	Renewable Rider	x	89,694			89,694	(13,347)	76,347			76,347
379	283416	283	DEFERRED COAL COSTS	m	(715,001)			(715,001)	228,824	(486,177)			(486,177)
380	283417	283	DEFERRED COAL COSTS	m	(161,650)			(161,650)	47,701	(113,949)			(113,949)
381	283500	283	Zero Balance	z	-			-	-	-			-
382	283420	283	SCR DEFERRED EXPENSES	x	(1,711,960)			(1,711,960)	442,171	(1,269,789)			(1,269,789)
383	283421	283	SCR DEFERRED EXPENSES	x	(369,265)			(369,265)	94,027	(275,238)			(275,238)
384			TOU Reg asset/lab	m	-			-	-	-			-
385	283426	283	EPA BART ALTERNATIVE DEFERRED EXPENSES	x	-			-	(627,771)	(627,771)			(627,771)
386	283427	283	EPA BART ALTERNATIVE DEFERRED EXPENSES	x	-			-	(130,866)	(130,866)			(130,866)
387	283900	283	Zero Balance	z	-			-	9,413,313	9,413,313			9,413,313
388	283000	283	Zero Balance	z	-			-	(9,413,313)	(9,413,313)			9,413,313
389			PENSION AMPP	m	-			-	-	-			-
390			Palo Verde Dry Cask Storage 3	m	-			-	-	-			-
391	Renew	282	Liberalized Depreciation - Renewables	RR	(37,352,368)	(116,915)		(37,469,283)	-	(37,469,283)	(9,000,882)		(46,470,165)
392	CorpDepr	282	Liberalized Depreciation - Other	R	-			-	-	-			-
393	CorpNOL	190	Net Operating Loss (NOL)	r	-			-	-	-			-
394	Gen	282	Liberalized Depreciation - Generation	R	(371,324,296)	(861,107)	-	(372,185,403)	-	(372,185,403)	(37,438,523)	-	(409,624,026)
395	NF12	282	Nuclear Fuel Amortization PV 1&2	R	5,765,043	-	-	5,765,043	-	5,765,043	892,708	(297,589)	6,360,182
396	NF3	282	Nuclear Fuel Amortization PV 3	R	2,882,522			2,882,522	-	2,882,522	-	297,589	3,180,091
397	Trans	282	Liberalized Depreciation - Transmission	R	(83,847,749)	(1,675,153)		(85,522,902)	-	(85,522,902)	(6,066,126)		(91,589,028)
398	Dist	282	Liberalized Depreciation - Distribution	R	(184,495,775)	(2,641,988)		(187,137,163)	-	(187,137,163)	(5,565,141)		(193,702,304)
399	RenewNOL	190	Renewable NOL Allocation	RR	31,189,576		(398,492)	30,791,084	-	30,791,084	-	(432,166)	30,358,918
400			Total		(669,194,518)	-	-	(669,194,518)	4,723,552	(664,470,966)	-	-	(664,470,966)
402			G/L ADIT balances by FERC Account										
403			190000		208,914,643			208,914,643	86,732,791	295,647,434			295,647,434
404			190058		-			-					-
405			190161		15,392,870			15,392,870		15,392,870			15,392,870
406			190162		(67,497,937)			(67,497,937)		(67,497,937)			(67,497,937)
407			190200		-			-					-
408			190900		53,239,787			53,239,787	(40,821,926)	12,417,861			12,417,861
409			281000		(5,197,520)			(5,197,520)	461,704	(4,735,816)			(4,735,816)
410			282000		(754,488,379)			(754,488,379)	(41,291,885)	(795,780,264)			(795,780,264)
411			282050		-			-					-
412			283000		(128,140,589)			(128,140,589)	(11,594,404)	(139,734,993)			(139,734,993)
413			283050		-			-					-
414			283158		(10,806,128)			(10,806,128)	(1,658,577)	(12,464,705)			(12,464,705)
415			283159		(2,239,907)			(2,239,907)	(456,554)	(2,696,461)			(2,696,461)

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					2015Q1	03/31/15			03/31/15	Reverse			
10	Doc Ref	acct	sum	Rate Code	Activity 15Q1	Bal 15Q1	Depr Alloc 15Q1	Adj.s 15Q1	Adj. Bal 15Q1	Book MDCs	Base MDCs	Unadj Base	Base Adjs
11	190000	190	MISC NON OPERATING	N	-	525,214			-			525,214	
12	190003	190	Zero Balance	Z	-	-			-			-	
13	190004	190	Zero Balance	Z	-	-			-			-	
14	190001	190	TRI STATE RIGHT OF WAY	X	-	108,238			108,238			108,238	
15	190002	190	TRI STATE RIGHT OF WAY	X	-	(116,156)			(116,156)			(116,156)	
16	190004	190	ALVARADO SQUARE	X	-	383,930			383,930			383,930	
17	190005	190	ALVARADO SQUARE	X	-	83,323			83,323			83,323	
18	190009	190	WAGES	X	-	273,987			273,987			273,987	
19	190010	190	WAGES	X	-	60,822			60,822			60,822	
20	190015	190	Pension Qualified	M	228,043	(89,779,786)			(89,779,786)	109,098,101	(71,603,813)	(52,285,498)	
21	190016	190	Pension Qualified	M	44,923	(18,416,613)			(18,416,613)			(18,416,613)	
22	190019	190	Deferred Federal Tax Credits	r	-	105,491			105,491			105,491	
23	190023	190	ACCRUED VACATION	X	-	2,037,200			2,037,200			2,037,200	
24	190024	190	ACCRUED VACATION	X	-	442,098			442,098			442,098	
25	190027	190	Zero Balance	z	-	-			-			-	
26	190028	190	Zero Balance	z	-	-			-			-	
27	190035	190	Eastern Interconnect Project Gain	m	-	1,444			1,444	(27,764)	[0]	(26,320)	
28	190036	190	Eastern Interconnect Project Gain	m	-	26,320			26,320			26,320	
29	190039	190	Palo Verde Prudence Audit 1 & 2	M	-	81,346			81,346	68,222	24,053	173,621	
30	190040	190	Palo Verde Prudence Audit 1 & 2	M	-	(149,568)			(149,568)			(149,568)	
31	190045	190	Contributions In Aid of Construction	R	707,499	27,749,739			27,749,739			27,749,739	
32	190047	190	Contributions In Aid of Construction	R	139,374	6,008,212			6,008,212			6,008,212	
33	190048	190	TAX CAPITALIZED INTEREST	R	519,114	19,097,437			19,097,437			19,097,437	
34	190049	190	TAX CAPITALIZED INTEREST	R	102,261	3,051,461			3,051,461			3,051,461	
35	190050	190	GAS PLANT DECOMM S FE	N	-	(136,544)			(136,544)			(136,544)	
36	190051	190	GAS PLANT DECOMM S FE	N	-	(29,549)			(29,549)			(29,549)	
37	190052	190	ASSET RETIREMENT OBLIGATION	m	(1,095,758)	(5,498,181)			(5,498,181)			(5,498,181)	
38	190053	190	ASSET RETIREMENT OBLIGATION	m	(216,051)	(1,136,933)			(1,136,933)			(1,136,933)	
39	190054	190	Zero Balance	Z	-	-			-			-	
40	190055	190	Zero Balance	Z	-	-			-			-	
41	190056	190	Palo Verde Construction Credits 1 & 2	M	-	95,256			95,256	(59,849)	105,688	141,095	
42	190057	190	Palo Verde Construction Credits 1 & 2	M	-	20,869			20,869			20,869	
43	190084	190	GENERAL RESERVE	X	-	824,369			824,369			824,369	
44	190085	190	GENERAL RESERVE	X	-	178,596			178,596			178,596	
45	190086	190	PCB REFINANCING	m	-	32,615			32,615			32,615	
46	190087	190	PCB REFINANCING	m	-	7,078			7,078			7,078	
47	190088	190	COMPENSATION EXPENSE	X	(746,741)	(3,115,998)			(3,115,998)			(3,115,998)	
48	190089	190	COMPENSATION EXPENSE	X	(147,100)	(658,653)			(658,653)			(658,653)	
49	190115	190	OTHER LEGAL ACCRUALS	X	-	439,340			439,340			439,340	
50	190116	190	OTHER LEGAL ACCRUALS	X	-	95,354			95,354			95,354	
51	190128	190	NINE MILE TAP	N	-	20,990			20,990			20,990	
52	190129	190	NINE MILE TAP	N	-	4,880			4,880			4,880	
53	190140	190	PVNG5 DECOMM NON UTILITY	N	-	484,816			484,816			484,816	
54	190141	190	PVNGS DECOMM NON UTILITY	N	-	108,318			108,318			108,318	
55	190142	190	Palo Verde Galn 1 & 2	M	-	435,833			435,833	(533,207)	217,133	119,759	

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10	Doc Ref	acct	sum	Rate Code	Activity 15Q1	Bal 15Q1	Depr Alloc 15Q1	Adj.s 15Q1	Adj. Bal 15Q1	Book MDCs	Base MDCs	Unadj Base	Base Adj
56	190143	190	Palo Verde Gain 1 & 2	M	-	97,374			97,374			97,374	
57	190145	190	Deferred Federal Tax Credits	R	-	8,369,225			8,369,225			8,369,225	
58	190147	190	Zero Balance	Z	-	-			-			-	
59	190148	190	Zero Balance	Z	-	-			-			-	
60	190151	190	OTHER POST EMPLOYMENT BENEFITS	x	(360,318)	(2,682,275)			(2,682,275)			(2,682,275)	
61	190152	190	OTHER POST EMPLOYMENT BENEFITS	x	(70,980)	(562,853)			(562,853)			(562,853)	
62	190151	190	PENSION VALUATION ALLOWANCE	x	-	67,196,635			67,196,635			67,196,635	
63	190152	190	PENSION VALUATION ALLOWANCE	x	-	(63,293,556)			(63,293,556)			(63,293,556)	
64	190153	190	REGULATORY RESERVE	X	-	(4,879)			(4,879)			(4,879)	
65	190154	190	REGULATORY RESERVE	X	-	(1,059)			(1,059)			(1,059)	
66	190155	190	ENVIRONMENTAL LIABILITY	X	-	4,619			4,619			4,619	
67	190156	190	ENVIRONMENTAL LIABILITY	X	-	1,003			1,003			1,003	
68	190159	190	FAS 109	X	517,459	29,867,170			29,867,170			29,867,170	
69	190170	190	FAS 109	X	(2,470,501)	42,025,472			42,025,472			42,025,472	
70	190175	190	WORKERS COMP	x	-	936,724			936,724			936,724	
71	190176	190	WORKERS COMP	x	-	206,647			206,647			206,647	
72	190177	190	SELF INSURANCE	X	-	200,885			200,885			200,885	
73	190178	190	SELF INSURANCE	X	-	44,307			44,307			44,307	
74	190187	190	ASSET RETIREMENT OBLIGATION	m	-	13,004,738			13,004,738			13,004,738	
75	190188	190	ASSET RETIREMENT OBLIGATION	m	-	2,822,511			2,822,511			2,822,511	
76	190191	190	SELF INSURANCE	X	-	8,837			8,837			8,837	
77	190192	190	SELF INSURANCE	X	-	1,912			1,912			1,912	
78	190193	190	Zero Balance	Z	-	-			-			-	
79	190194	190	Zero Balance	Z	-	-			-			-	
80	190195	190	Zero Balance	Z	-	1			1			1	
81	190196	190	Zero Balance	Z	-	(1)			(1)			(1)	
82	190201	190	Palo Verde Dry Cask Storage 1 & 2	M	15,813	4,029,394			4,029,394	(4,902,390)	3,289,053	2,416,057	(3,289,053)
83	190202	190	Palo Verde Dry Cask Storage 1 & 2	M	3,115	872,996			872,996			872,996	
84	190205	190	LINE EXTENSION POLICY	R	-	786,444			786,444			786,444	
85	190206	190	LINE EXTENSION POLICY	R	-	170,687			170,687			170,687	
86	190209	190	Zero Balance	Z	-	-			-			-	
87	190210	190	Zero Balance	Z	-	-			-			-	
88	190215	190	OTHER LEGAL ACCRUALS	X	-	(963,433)			(963,433)			[963,433]	
89	190216	190	OTHER LEGAL ACCRUALS	X	-	(209,024)			(209,024)			[209,024]	
90	190217	190	HI VOLTAGE RESERVE	X	-	2,042,548			2,042,548			2,042,548	
91	190218	190	HI VOLTAGE RESERVE	X	-	443,309			443,309			443,309	
92	190219	190	STATE AND LOCAL TAX RESERVE	X	-	-			-			-	
93	190220	190	STATE AND LOCAL TAX RESERVE	X	-	-			-			-	
94	190223	190	Zero Balance	Z	-	-			-			-	
95	190224	190	Zero Balance	Z	-	-			-			-	
96	190225	190	Zero Balance	Z	-	-			-			-	
97	190226	190	Zero Balance	Z	-	-			-			-	
98	190229	190	Coal Mine Decommissioning	M	709,254	12,898,135			12,898,135	(1,039,955)	(12,630,200)	(772,020)	8,747,588
99	190230	190	Coal Mine Decommissioning	M	139,716	2,760,918			2,760,918			2,760,918	
100	190233	190	Zero Balance	Z	-	-			-			-	

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101	190234	190	Zero Balance	Z	-	-			-			-	
102	190235	190	Coal Mine Decommissioning	M	-	(193,067)			(193,067)			(193,067)	
103	190236	190	Coal Mine Decommissioning	M	-	(41,903)			(41,903)			(41,903)	
104	190252	190	BAD DEBT ALLOWANCE	X	-	(60,113)			(60,113)			(60,113)	
105	190253	190	BAD DEBT ALLOWANCE	X	-	(6,733)			(6,733)			(6,733)	
106	190284	190	Contributions In Aid of Construction	r	-	1,102,350			1,102,350			1,102,350	
107	190285	190	Contributions In Aid of Construction	r	-	239,251			239,251			239,251	
108	190287	190	BIOMASS	x	-	(27,508)			(27,508)			(27,508)	
109	190288	190	BIOMASS	x	-	16,561			16,561			16,561	
110	190291	190	PREPAID RENT REVENUE	X	-	(1,128)			(1,128)			(1,128)	
111	190292	190	PREPAID RENT REVENUE	X	-	(47)			(47)			(47)	
112	190293	190	REVENUE SUBJECT TO REFUND	X	42,831	309,382			309,382			309,382	
113	190294	190	REVENUE SUBJECT TO REFUND	X	8,437	65,654			65,654			65,654	
114	190310	190	Net Operating Loss (NOL)	R	(8,033,026)	71,643,806		(8,510,437)	63,133,369			63,133,369	
115	190311	190	Net Operating Loss (NOL)	R	(1,534,059)	38,816,628			38,816,628			38,816,628	
116	190312	190	Zero Balance	z	-	-			-			-	
117	190313	190	Zero Balance	z	-	-			-			-	
118	190343	190	Zero Balance	z	-	-			-			-	
119	190344	190	Zero Balance	z	-	-			-			-	
120	190345	190	SIGS GROUNDWATER RESERVE	X	-	97,073			97,073			97,073	
121	190346	190	SIGS GROUNDWATER RESERVE	X	-	20,626			20,626			20,626	
122	190347	190	Zero Balance	z	-	-			-			-	
123	190348	190	Zero Balance	z	-	-			-			-	
124	190349	190	Zero Balance	z	-	-			-			-	
125	190350	190	Zero Balance	z	-	-			-			-	
126	190358	190	INJURY & DAMAGES	M	-	14,679			14,679	(1,859,502)	3,266,262	1,421,439	-
127	190359	190	INJURY & DAMAGES	M	-	3,186			3,186			3,186	
128	190360	190	INJURY & DAMAGES	M	-	903,660			903,660			903,660	
129	190361	190	INJURY & DAMAGES	M	-	196,839			196,839			196,839	
130	190362	190	INJURY & DAMAGES	M	-	(3)			(3)			(3)	
131	190363	190	INJURY & DAMAGES	M	-	2			2			2	
132	190364	190	INJURY & DAMAGES	M	-	608,962			608,962			608,962	
133	190365	190	INJURY & DAMAGES	M	-	132,177			132,177			132,177	
134	190366	190	ROW RESERVE	X	-	238,922			238,922			238,922	
135	190367	190	ROW RESERVE	X	-	51,854			51,854			51,854	
136	190369	190	FEDERAL TAX CORRECTION	N	-	40,597			40,597			40,597	
137	190370	190	FEDERAL TAX CORRECTION	N	-	(100,534)			(100,534)			(100,534)	
138	190381	190	ROW RESERVE	X	-	(270,120)			(270,120)			(270,120)	
139	190382	190	ROW RESERVE	X	-	(58,488)			(58,488)			(58,488)	
140	190383	190	Zero Balance	Z	-	-			-			-	
141	190384	190	Zero Balance	Z	-	-			-			-	
142	190385	190	Palo Verde Construction Credits 1 & 2	m	-	(46,240)			(46,240)			(46,240)	
143	190386	190	Palo Verde Construction Credits 1 & 2	m	-	(10,036)			(10,036)			(10,036)	
144	190389	190	PROPERTY TAX RESERVE	X	-	52,203			52,203			52,203	
145	190390	190	PROPERTY TAX RESERVE	X	-	11,331			11,331			11,331	

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146	190395	190	Zero Balance	Z	-	-		-	-			-	
147	190396	190	Zero Balance	Z	-	-		-	-			-	
148	190399	190	Zero Balance	z	-	-		-	-			-	
149	190400	190	Zero Balance	z	-	-		-	-			-	
150	190401	190	RATE RIDER	x	-	(302,939)			(302,939)			(302,939)	
151	190402	190	RATE RIDER	x	-	(65,832)			(65,832)			(65,832)	
152	190403	190	RENEWABLE CREDITS	x	-	27,564,601			27,564,601			27,564,601	
153	190404	190	INCENTIVE PAY PLANS	X	-	2,282,705			2,282,705			2,282,705	
154	190405	190	INCENTIVE PAY PLANS	X	-	495,211			495,211			495,211	
155	190406	190	ENERGY EFFICIENCY	x	-	1,175,767			1,175,767			1,175,767	
156	190407	190	ENERGY EFFICIENCY	x	-	255,185			255,185			255,185	
157	190413	190	NM SOLAR ENERGY CENTER	X	-	98,351			98,351			98,351	
158	190414	190	NM SOLAR ENERGY CENTER	X	-	20,743			20,743			20,743	
159	190415	190	DOE SPENT FUEL SETTLEMENT	m	1,006,289	1,006,019			1,006,019	(3,404,831)	2,224,257	(174,555)	(8,717)
160	190416	190	DOE SPENT FUEL SETTLEMENT	m	198,230	199,002			199,002			199,002	
161	190419	190	SIERRA CLUB	X	-	-		-	-			-	
162	190420	190	SIERRA CLUB	X	-	-		-	-			-	
163	190421	190	LVGS Decommissioning	m	-	355,281			355,281	(432,052)	444,802	368,031	-
164	190422	190	LVGS Decommissioning	m	-	76,771			76,771			76,771	
165	190423	190	EXTENDED LEAVE	x	-	23,412			23,412			23,412	
166	190424	190	EXTENDED LEAVE	x	-	5,169			5,169			5,169	
167	190425	190	Coal Mine Decommissioning	M	-	(95,748)			(95,748)			(95,748)	
168	190426	190	Coal Mine Decommissioning	M	-	(20,010)			(20,010)			(20,010)	
169	190429	190	EFFECT OF NM TAX RATE	x	45,292	427,857			427,857			427,857	
170	190430	190	EFFECT OF NM TAX RATE	x	7,634	72,124			72,124			72,124	
171	190431	190	Renewable NM AETC	RR	-	1,313,913			1,313,913	(1,599,623)	1,580,648	1,294,938	-
172	190432	190	Renewable NM AETC	RR	-	285,710			285,710			285,710	
173	190433	190	NAVAJO WORKFORCE TRAINING	X	-	194,992			194,992			194,992	
174	190434	190	NAVAJO WORKFORCE TRAINING	X	-	42,880			42,880			42,880	
175	190435	190	SIGS AUDIT RESERVES	x	-	11,353		-	11,353			11,353	
176	190436	190	SIGS AUDIT RESERVES	x	-	5,614		-	5,614			5,614	
177	190437	190	SI RECLAMATION TRUST	X	-	97,626			97,626			97,626	
178	190438	190	SI RECLAMATION TRUST	X	-	20,769			20,769			20,769	
179	190441	190	Net Operating Loss (NOL)	R	354,280	1,509,523			1,509,523			1,509,523	
180	190442	190	Net Operating Loss (NOL)	R	(1,012,228)	(4,312,920)			(4,312,920)			(4,312,920)	
181	190443	190	FOUR CORNERS SURTAX SETTLEMENT	X	-	153,640			153,640			153,640	
182	190444	190	FOUR CORNERS SURTAX SETTLEMENT	X	-	32,028			32,028			32,028	
183	190445	190	DOE SPENT FUEL SETTLEMENT	m	-	637,833			637,833			637,833	
184	190446	190	DOE SPENT FUEL SETTLEMENT	m	-	132,963			132,963			132,963	
185	190447	190	DOE SPENT FUEL SETTLEMENT	m	-	1,182,507			1,182,507			1,182,507	
186	190448	190	DOE SPENT FUEL SETTLEMENT	m	-	246,507			246,507			246,507	
187	190900	190	Zero Balance	z	-	-		-	-			-	
188	281000	281	Pollution Control Facilities 4 Corners	R	-	(439,168)			(439,168)			(439,168)	
189	281001	281	Pollution Control Facilities 4 Corners	R	-	(69,473)			(69,473)			(69,473)	
190	281003	281	FAS 109	X	-	(3,479,713)			(3,479,713)			(3,479,713)	

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191	281004	281	FAS 109	X	-	(747,462)			(747,462)			(747,462)	
192	282000	282	LIBERALIZED DEPRECIATION NONOP	N	-	3,458,183			3,458,183			3,458,183	
193	282001	282	LIBERALIZED DEPRECIATION NONOP	N	-	809,491			809,491			809,491	
194	282003	282	Liberalized Depreciation - Other	R	(5,182,060)	261,924,824	4,319,270	521,913	266,766,007			266,766,007	
195	282004	282	Liberalized Depreciation - Other	R	(1,057,137)	(90,512,491)		102,813	(90,409,678)			(90,409,678)	
196	282005	282	FERC Customer Depreciation	R	-	970,134			970,134			970,134	
197	282006	282	FERC Customer Depreciation	R	-	290,053			290,053			290,053	
198	282007	282	Palo Verde Start-Up Amortization	R	-	263,465			263,465			263,465	
199	282008	282	Palo Verde Start-Up Amortization	R	-	(13,439)			(13,439)			(13,439)	
200	282009	282	Nuclear Fuel Amortization PV 1&2	R	-	-	-	-	-			-	
201	282010	282	Nuclear Fuel Amortization PV 1&2	R	-	-	-	-	-			-	
202	282011	282	Liberalized Depreciation - PV 3	R	756,373	(60,928,974)			(60,928,974)			(60,928,974)	
203	282012	282	Liberalized Depreciation - PV 3	R	2,003,102	(7,988,868)			(7,988,868)			(7,988,868)	
204	282013	282	Liberalized Depreciation - Other	R	-	(14,439,647)			(14,439,647)			(14,439,647)	
205	282014	282	Liberalized Depreciation - Other	R	-	(1,847,932)			(1,847,932)			(1,847,932)	
206	282015	282	Zero Balance	Z	-	-		-	-			-	
207	282016	282	Zero Balance	Z	-	-		-	-			-	
208	282017	282	Debt AFUDC	R	(513,567)	(16,531,180)			(16,531,180)			(16,531,180)	
209	282018	282	Debt AFUDC	R	(101,166)	(3,590,106)			(3,590,106)			(3,590,106)	
210	282019	282	Palo Verde Licensing Amortization	R	-	(3,685,481)			(3,685,481)			(3,685,481)	
211	282020	282	Palo Verde Licensing Amortization	R	-	(801,360)			(801,360)			(801,360)	
212	282021	282	ASSET RETIREMENT OBLIGATION	M	686,088	19,672,862			19,672,862			19,672,862	
213	282022	282	ASSET RETIREMENT OBLIGATION	M	135,153	4,229,087			4,229,087			4,229,087	
214	282025	282	Pre-1981 Repair Allowance	R	-	(18,190,422)			(18,190,422)			(18,190,422)	
215	282026	282	Pre-1981 Repair Allowance	R	-	(3,948,000)			(3,948,000)			(3,948,000)	
216	282031	282	Liberalized Depreciation - Other	R	-	1,768,180			1,768,180			1,768,180	
217	282032	282	Liberalized Depreciation - Other	R	-	382,741			382,741			382,741	
218	282033	282	FAS 109	X	-	(32,781,249)			(32,781,249)			(32,781,249)	
219	282034	282	FAS 109	X	-	(4,343,328)			(4,343,328)			(4,343,328)	
220	282050	282	Zero Balance	Z	-	-		-	-			-	
221	282051	282	Zero Balance	Z	-	-		-	-			-	
222	282052	282	ASSET RETIREMENT OBLIGATION	M	506,382	24,026,072			24,026,072	(13,410,011)	41,650,154	52,266,215	(35,449,393)
223	282053	282	ASSET RETIREMENT OBLIGATION	M	99,753	5,186,760			5,186,760			5,186,760	
224	282185	282	Liberalized Depreciation - Other	R	-	-		-	-			-	
225	282186	282	Liberalized Depreciation - Other	R	-	-		-	-			-	
226	282187	282	Zero Balance	Z	-	-		-	-			-	
227	282188	282	Zero Balance	Z	-	-		-	-			-	
228	282189	282	Zero Balance	Z	-	-		-	-			-	
229	282190	282	Zero Balance	Z	-	-		-	-			-	
230	282191	282	Zero Balance	Z	-	-		-	-			-	
231	282192	282	Zero Balance	Z	-	-		-	-			-	
232	282193	282	Zero Balance	Z	-	-		-	-			-	
233	282194	282	Zero Balance	Z	-	-		-	-			-	
234	282195	282	Zero Balance	Z	-	-		-	-			-	
235	282196	282	Zero Balance	Z	-	-		-	-			-	

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236	282197	282	Zero Balance	Z	-	-	-	-	-			-	
237	282198	282	Zero Balance	Z	-	-	-	-	-			-	
238	282201	282	Zero Balance	Z	-	-	-	-	-			-	
239	282202	282	Zero Balance	Z	-	-	-	-	-			-	
240	282203	282	ASSET RETIREMENT OBLIGATION	m	-	224,672			224,672			224,672	
241	282204	282	ASSET RETIREMENT OBLIGATION	m	-	48,762			48,762			48,762	
242	282243	282	Zero Balance	Z	-	-	-	-	-			-	
243	282244	282	Zero Balance	Z	-	-	-	-	-			-	
244	282267	282	AFTON WRITEDOWN	R	-	6,503,263			6,503,263			6,503,263	
245	282268	282	AFTON WRITEDOWN	R	-	1,411,449			1,411,449			1,411,449	
246	282304	282	Nuclear Fuel Amortization PV 1&2	R	-	-	-	-	-			-	
247	282305	282	Nuclear Fuel Amortization PV 1&2	R	-	-	-	-	-			-	
248	282306	282	Zero Balance	Z	-	-	-	-	-			-	
249	282307	282	Zero Balance	Z	-	-	-	-	-			-	
250	282308	282	Zero Balance	Z	662,475	662,475		(662,475)	-				
251	282309	282	Zero Balance	Z	130,503	130,503		(130,503)	-				
252	282310	282	Zero Balance	Z	-	-	-	-	-			-	
253	282311	282	Zero Balance	Z	-	-	-	-	-			-	
254	282312	282	Zero Balance	Z	-	-	-	-	-			-	
255	282313	282	Zero Balance	Z	-	-	-	-	-			-	
256	282314	282	Zero Balance	Z	-	-	-	-	-			-	
257	282315	282	Zero Balance	Z	-	-	-	-	-			-	
258	282318	282	Zero Balance	Z	-	-	-	-	-			-	
259	282319	282	Zero Balance	Z	-	-	-	-	-			-	
260	282320	282	Liberalized Depreciation - Other	R	(169,740)	(126,259,289)			(126,259,289)			(126,259,289)	
261	282321	282	Liberalized Depreciation - Other	R	(33,435)	(25,223,043)			(25,223,043)			(25,223,043)	
262	282322	282	ALVARADO SQUARE ABANDONMENT	m	-	(1,294,338)			(1,294,338)	1,575,258	(1,518,271)	(1,237,351)	-
263	282323	282	ALVARADO SQUARE ABANDONMENT	m	-	(280,920)			(280,920)			(280,920)	
264	282386	282	Zero Balance	Z	(140,562)	(140,562)		140,562	-			-	
265	282387	282	Zero Balance	Z	(27,690)	(27,690)		27,690	-			-	
266	282500	282	Zero Balance	Z	-	-	-	-	-			-	
267	283001	283	BONUS ACCRUAL	X	-	(575,272)			(575,272)			(575,272)	
268	283002	283	BONUS ACCRUAL	X	-	(124,855)			(124,855)			(124,855)	
269	283004	283	Zero Balance	Z	-	-	-	-	-			-	
270	283005	283	Zero Balance	Z	-	-	-	-	-			-	
271	283008	283	Zero Balance	Z	-	-	-	-	-			-	
272	283009	283	Zero Balance	Z	-	-	-	-	-			-	
273	283010	283	LOSS ON REACQUIRED DEBT	M	-	(3,271,767)			(3,271,767)			(3,271,767)	
274	283013	283	LOSS ON REACQUIRED DEBT	M	-	(686,848)			(686,848)			(686,848)	
275	283019	283	GAIN REACQUIRED DEBT	X	-	(174,832)			(174,832)			(174,832)	
276	283020	283	GAIN REACQUIRED DEBT	X	-	(37,942)			(37,942)			(37,942)	
277	283023	283	Pension Qualified	m	-	(740,908)			(740,908)			(740,908)	
278	283024	283	Pension Qualified	m	-	(160,794)			(160,794)			(160,794)	
279	283024	283	RATE CASE EXPENSE	M	(100,342)	(598,150)			(598,150)			(598,150)	
280	283035	283	RATE CASE EXPENSE	M	(19,767)	(126,895)			(126,895)			(126,895)	

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					2015Q1	03/31/15			03/31/15	Reverse			
10	Doc Ref	acct	sum	Rate Code	Activity 15Q1	Bal 15Q1	Depr Alloc 15Q1	Adj.s 15Q1	Adj. Bal 15Q1	Book MDCs	Base MDCs	Unadj Base	Base Adj\$
281	283144	283	FAS 109	X	-	(16,947,914)			(16,947,914)			(16,947,914)	
282	283145	283	FAS 109	X	-	(2,955,663)			(2,955,663)			(2,955,663)	
283	283154	283	ASSET RETIREMENT OBLIGATION	m	(400,020)	(20,377,059)			(20,377,059)			(20,377,059)	
284	283155	283	ASSET RETIREMENT OBLIGATION	m	(78,801)	(4,400,886)			(4,400,886)			(4,400,886)	
285	283156	283	COMPENSATION EXPENSE	x	-	(6,080)			(6,080)			(6,080)	
286	283157	283	COMPENSATION EXPENSE	x	-	(1,320)			(1,320)			(1,320)	
287	283158	283	PVNGS DECOMM NON UTILITY	N	(957,820)	(14,917,602)			(14,917,602)			(14,917,602)	
288	283159	283	PVNGS DECOMM NON UTILITY	N	(28,387)	(3,049,264)			(3,049,264)			(3,049,264)	
289	283160	283	FAS 115	X	-	(1,163,510)			(1,163,510)			(1,163,510)	
290	283161	283	FAS 115	X	-	231,489			231,489			231,489	
291	283162	283	MARK TO MARKET	x	(322,484)	38,497,248			38,497,248			38,497,248	
292	283163	283	MARK TO MARKET	x	(2,432,554)	4,103,832			4,103,832			4,103,832	
293	283164	283	Zero Balance	Z	-	-			-			-	
294	283165	283	Zero Balance	Z	-	-			-			-	
295	283166	283	Zero Balance	Z	-	-			-			-	
296	283167	283	Zero Balance	Z	-	-			-			-	
297	283168	283	UNREALIZED GAIN ON ENERGY TRADING	X	563,016	(1,518,967)			(1,518,967)			(1,518,967)	
298	283169	283	UNREALIZED GAIN ON ENERGY TRADING	X	110,910	(322,765)			(322,765)			(322,765)	
299	283170	283	Zero Balance	Z	-	-			-			-	
300	283171	283	Zero Balance	Z	-	-			-			-	
301	283174	283	HEDGE LOSS	N	-	395,030			395,030			395,030	
302	283175	283	HEDGE LOSS	N	-	62,030			62,030			62,030	
303	283180	283	ACCURRED ILLNESS	X	-	248,655			248,655			248,655	
304	283181	283	ACCURRED ILLNESS	X	-	53,972			53,972			53,972	
305	283182	283	BOOK CAPITALIZED INTEREST	R	-	(6,129,891)			(6,129,891)			(6,129,891)	
306	283183	283	BOOK CAPITALIZED INTEREST	R	-	(1,327,468)			(1,327,468)			(1,327,468)	
307	283185	283	Zero Balance	Z	-	-			-			-	
308	283186	283	Zero Balance	Z	-	-			-			-	
309	283187	283	ASSET RETIREMENT OBLIGATION	m	-	(20,042,441)			(20,042,441)			(20,042,441)	
310	283188	283	ASSET RETIREMENT OBLIGATION	m	-	(4,349,953)			(4,349,953)			(4,349,953)	
311	283189	283	Zero Balance	Z	-	-			-			-	
312	283190	283	Zero Balance	Z	-	-			-			-	
313	283191	283	Coal Mine Decommissioning	M	-	(11,723,858)			(11,723,858)			(11,723,858)	
314	283192	283	Coal Mine Decommissioning	M	-	(2,544,512)			(2,544,512)			(2,544,512)	
315	283193	283	PREPAID EXPENSES	R	-	(3,137,587)			(3,137,587)			(3,137,587)	
316	283194	283	PREPAID EXPENSES	R	-	(680,016)			(680,016)			(680,016)	
317	283201	283	PCB REFINANCING	m	69,123	(5,602,510)			(5,602,510)	4,022,454	(6,434,838)	(8,014,894)	
318	283202	283	PCB REFINANCING	m	13,617	(1,219,702)			(1,219,702)			(1,219,702)	
319	283203	283	SUN REFINANCING	X	-	1,447,171			1,447,171			1,447,171	
320	283204	283	SUN REFINANCING	X	-	327,672			327,672			327,672	
321	283205	283	Zero Balance	Z	-	-			-			-	
322	283206	283	Zero Balance	Z	-	-			-			-	
323	283207	283	DEBT ISSUANCE COST	X	-	(16,393)			(16,393)			(16,393)	
324	283208	283	DEBT ISSUANCE COST	X	-	(3,756)			(3,756)			(3,756)	
325	283210	283	LOSS ON REACQUIRED DEBT	M	-	(177,718)			(177,718)	4,174,904	(3,289,195)	707,991	

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					2015Q1	03/31/15			03/31/15	Reverse			
10	Doc Ref	acct	sum	Rate Code	Activity 15Q1	Bal 15Q1	Depr Alloc 15Q1	Adj.s 15Q1	Adj. Bal 15Q1	Book MDCs	Base MDCs	Unadj Base	Base Adj\$
326	283213	283	LOSS ON REACQUIRED DEBT	M	-	(38,571)			(38,571)			(38,571)	
327	283215	283	SUN REFINANCING	X	-	(1,704,127)			(1,704,127)			(1,704,127)	
328	283216	283	SUN REFINANCING	X	-	(369,858)			(369,858)			(369,858)	
329	283217	283	SUN REFINANCING	X	59,528	(107,370)			(107,370)			(107,370)	
330	283218	283	SUN REFINANCING	X	11,727	(26,532)			(26,532)			(26,532)	
331	283223	283	STATE AND LOCAL TAX RESERVE	X	-	48,312			48,312			48,312	
332	283224	283	STATE AND LOCAL TAX RESERVE	X	-	10,485			10,485			10,485	
333	283225	283	Zero Balance	z	-	-			-			-	
334	283226	283	Zero Balance	z	-	-			-			-	
335	283231	283	PCB REFINANCING	m	-	871,951			871,951			871,951	
336	283232	283	PCB REFINANCING	m	-	188,638			188,638			188,638	
337	283233	283	PCB REFINANCING	m	-	1,396,404			1,396,404			1,396,404	
338	283234	283	PCB REFINANCING	m	-	303,072			303,072			303,072	
339	283235	283	SUN REFINANCING	X	-	(1,369,413)			(1,369,413)			(1,369,413)	
340	283236	283	SUN REFINANCING	X	-	(297,213)			(297,213)			(297,213)	
341	283240	283	SO2 ALLOWANCE CREDITS	X	-	1			1			1	
342	283241	283	SO2 ALLOWANCE CREDITS	X	-	-			-			-	
343	283275	283	BAD DEBT ALLOWANCE	X	-	10,084			10,084			10,084	
344	283276	283	BAD DEBT ALLOWANCE	X	-	2,189			2,189			2,189	
345	283295	283	PV INCENTIVE PROGRAM	X	860,769	325,909			325,909			325,909	
346	283297	283	PV INCENTIVE PROGRAM	X	169,564	52,131			52,131			52,131	
347	283298	283	BIOMASS	X	-	(76,295)			(76,295)			(76,295)	
348	283299	283	BIOMASS	X	-	(16,559)			(16,559)			(16,559)	
349	283300	283	RENEWABLE ENERGY CERTIFICATES	X	488,723	(557,949)			(557,949)			(557,949)	
350	283301	283	RENEWABLE ENERGY CERTIFICATES	X	96,274	(153,981)			(153,981)			(153,981)	
351	283317	283	RATE CASE EXPENSE	M	-	(110,340)			(110,340)	859,333	(375,240)	373,753	-
352	283318	283	RATE CASE EXPENSE	M	-	(23,948)			(23,948)			(23,948)	
353	283325	283	Zero Balance	z	-	-			-			-	
354	283326	283	Zero Balance	z	-	-			-			-	
355	283361	283	BONUS ACCRUAL	X	-	3,061,076			3,061,076			3,061,076	
356	283362	283	BONUS ACCRUAL	X	-	664,357			664,357			664,357	
357	283363	283	BONUS ACCRUAL	X	-	(3,061,077)			(3,061,077)			(3,061,077)	
358	283364	283	BONUS ACCRUAL	X	-	(664,362)			(664,362)			(664,362)	
359	283367	283	FIN 48 INTEREST	X	-	(2,197,755)			(2,197,755)			(2,197,755)	
360	283368	283	FIN 48 INTEREST	X	-	(476,995)			(476,995)			(476,995)	
361	283369	283	RATE CASE EXPENSE	M	-	-			-			-	
362	283370	283	RATE CASE EXPENSE	M	-	-			-			-	
363	283382	283	Zero Balance	Z	-	-			-			-	
364	283383	283	Zero Balance	Z	-	-			-			-	
365	283386	283	FIN 48 INTEREST	X	-	960,426			960,426			960,426	
366	283387	283	FIN 48 INTEREST	X	-	207,108			207,108			207,108	
367	283388	283	PVNGS #2 CARRYING COSTS	X	-	*			-			*	
368	283389	283	PVNGS #2 CARRYING COSTS	X	-	-			-			*	
369	283390	283	RENEWABLE ENERGY EXPENSES	m	-	-			-			-	
370	283391	283	RENEWABLE ENERGY EXPENSES	m	-	-			-			-	

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					2015Q1	03/31/15			03/31/15	Reverse			
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371	283392	283	SO2 ALLOWANCE CREDITS	x	-	26,835			26,835			26,835	
372	283393	283	SO2 ALLOWANCE CREDITS	x	-	5,825			5,825			5,825	
373	283396	283	FUEL CLAUSE ADJUSTMENT	x	4,599,755	(9,614,430)			(9,614,430)			(9,614,430)	
374	283397	289	FUEL CLAUSE ADJUSTMENT	x	906,113	(2,174,005)			(2,174,005)			(2,174,005)	
375	283398	283	RATE RIDER 12	x	-	421,831			421,831			421,831	
376	283399	283	RATE RIDER 12	x	-	91,553			91,553			91,553	
377	283410	283	Renewable Rider	x	(44,386)	304,855			304,855			304,855	
378	283411	283	Renewable Rider	x	(8,744)	67,603			67,603			67,603	
379	283416	283	DEFERRED COAL COSTS	m	83,577	(402,600)			(402,600)	500,085	(500,112)	(402,627)	
380	283417	283	DEFERRED COAL COSTS	m	16,454	(97,485)			(97,485)			(97,485)	
381	283500	283	Zero Balance	z	-	-			-			-	
382	283420	283	SCR DEFERRED EXPENSES	x	(136,716)	(1,406,505)			(1,406,505)			(1,406,505)	
383	283421	283	SCR DEFERRED EXPENSES	x	(26,932)	(302,170)			(302,170)			(302,170)	
384			TOU Reg asset/lab	m	-	-			-			-	
385	283426	283	EPA BART ALTERNATIVE DEFERRED EXPENSES	x	-	(627,771)			(627,771)			(627,771)	
386	283427	283	EPA BART ALTERNATIVE DEFERRED EXPENSES	x	-	(130,866)			(130,866)			(130,866)	
387	283900	283	Zero Balance	z	-	-			-			-	
388	283000	283	Zero Balance	z	-	-			-			-	
389			PENSION AMPP	m	-	-			-	2,624,524		2,624,524	
390			Palo Verde Dry Cask Storage 3	m	-	-			-	1,613,458		1,613,458	[1,613,458]
391	Renew	282	Liberalized Depreciation - Renewables	RR		(46,470,165)	(406,434)		(46,876,599)			(46,876,599)	
392	CorpDepr	282	Liberalized Depreciation - Other	R		-			-			-	(9,159,924)
393	CorpNOL	190	Net Operating Loss (NOL)	r		-			-			-	1,089,866
394	Gen	282	Liberalized Depreciation - Generation	R		(409,624,026)	(673,091)	-	(410,297,117)			(410,297,117)	
395	NF12	282	Nuclear Fuel Amortization PV 1&2	R		6,360,182	-	-	6,360,182			6,360,182	
396	NF3	282	Nuclear Fuel Amortization PV 3	R		3,180,091	-	-	3,180,091			3,180,091	
397	Trans	282	Liberalized Depreciation - Transmission	R		(91,589,028)	(1,365,079)		(92,954,107)			(92,954,107)	
398	Dist	282	Liberalized Depreciation - Distribution	R		(193,702,304)	(1,874,666)		(195,576,970)			(195,576,970)	
399	RenewNOL	190	Renewable NOL Allocation	RR		30,358,918		8,510,437	38,869,355			38,869,355	
400													
401			Total		(9,651,619)	(674,122,585)	-	-	(674,122,585)	93,029,173	(39,311,639)	(620,405,051)	[39,683,091]
402			G/L ADIT balances by FERC Account										
403			190000		(10,898,298)	284,749,136			284,749,136				
404			190058			-							
405			190161			15,392,870			15,392,870				
406			190162			(67,497,937)			(67,497,937)				
407			190200			-			-				
408			190900			12,417,861			12,417,861				
409			281000			(4,735,816)			(4,735,816)				
410			282000		(2,245,528)	(798,025,792)			(798,025,792)				
411			282050			-			-				
412			283000		7,233,452	(132,501,541)			(132,501,541)				
413			283050			-			-				
414			283158		(957,820)	(13,422,525)			(13,422,525)				
415			283159		(28,387)	(2,724,848)			(2,724,848)				

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10	Doc Ref	acct	sum	Rate Code	Adj Base	Activity 15Q2	Bal 15Q2	Depr Alloc 15Q2	Adj.s 15Q2	Adj. Bal 15Q2	Activity 15Q3	Bal 15Q3	Depr Alloc 15Q3
11	190000	190	MISC NON OPERATING	N	525,214		525,214			525,214		525,214	
12	190003	190	Zero Balance	Z	-		-			-		-	
13	190004	190	Zero Balance	Z	-		-			-		-	
14	190001	190	TRI STATE RIGHT OF WAY	X	108,238		108,238			108,238		108,238	
15	190002	190	TRI STATE RIGHT OF WAY	X	(116,156)		(116,156)			(116,156)		(116,156)	
16	190004	190	ALVARADO SQUARE	X	383,930		383,930			383,930		383,930	
17	190005	190	ALVARADO SQUARE	X	83,323		83,323			83,323		83,323	
18	190009	190	WAGES	X	273,987		273,987			273,987		273,987	
19	190010	190	WAGES	X	60,822		60,822			60,822		60,822	
20	190015	190	Pension Qualified	M	(52,285,498)		(52,285,498)			(52,285,498)		(52,285,498)	
21	190016	190	Pension Qualified	M	(18,416,613)		(18,416,613)			(18,416,613)		(18,416,613)	
22	190019	190	Deferred Federal Tax Credits	r	105,491		105,491			105,491		105,491	
23	190023	190	ACCRUED VACATION	X	2,037,200		2,037,200			2,037,200		2,037,200	
24	190024	190	ACCRUED VACATION	X	442,098		442,098			442,098		442,098	
25	190027	190	Zero Balance	z	-		-			-		-	
26	190028	190	Zero Balance	z	-		-			-		-	
27	190035	190	Eastern Interconnect Project Gain	m	(26,320)		(26,320)			(26,320)		(26,320)	
28	190036	190	Eastern Interconnect Project Gain	m	26,320		26,320			26,320		26,320	
29	190039	190	Palo Verde Prudence Audit 1 & 2	M	173,621		173,621			173,621		173,621	
30	190040	190	Palo Verde Prudence Audit 1 & 2	M	(149,568)		(149,568)			(149,568)		(149,568)	
31	190046	190	Contributions In Aid of Construction	R	27,749,739		27,749,739			27,749,739		27,749,739	
32	190047	190	Contributions In Aid of Construction	R	6,008,212		6,008,212			6,008,212		6,008,212	
33	190048	190	TAX CAPITALIZED INTEREST	R	19,097,437		19,097,437			19,097,437		19,097,437	
34	190049	190	TAX CAPITALIZED INTEREST	R	3,051,461		3,051,461			3,051,461		3,051,461	
35	190050	190	GAS PLANT DECOMM SFE	N	(136,544)		(136,544)			(136,544)		(136,544)	
36	190051	190	GAS PLANT DECOMM SFE	N	(29,549)		(29,549)			(29,549)		(29,549)	
37	190052	190	ASSET RETIREMENT OBLIGATION	m	(5,498,181)		(5,498,181)			(5,498,181)		(5,498,181)	
38	190053	190	ASSET RETIREMENT OBLIGATION	m	(1,136,933)		(1,136,933)			(1,136,933)		(1,136,933)	
39	190054	190	Zero Balance	z	-		-			-		-	
40	190055	190	Zero Balance	z	-		-			-		-	
41	190056	190	Palo Verde Construction Credits 1 & 2	M	141,095		141,095			141,095		141,095	
42	190057	190	Palo Verde Construction Credits 1 & 2	M	20,869		20,869			20,869		20,869	
43	190084	190	GENERAL RESERVE	X	824,369		824,369			824,369		824,369	
44	190085	190	GENERAL RESERVE	X	178,596		178,596			178,596		178,596	
45	190086	190	PCB REFINANCING	m	32,615		32,615			32,615		32,615	
46	190087	190	PCB REFINANCING	m	7,078		7,078			7,078		7,078	
47	190088	190	COMPENSATION EXPENSE	X	(3,115,998)		(3,115,998)			(3,115,998)		(3,115,998)	
48	190089	190	COMPENSATION EXPENSE	X	(658,653)		(658,653)			(658,653)		(658,653)	
49	190115	190	OTHER LEGAL ACCRUALS	X	439,340		439,340			439,340		439,340	
50	190116	190	OTHER LEGAL ACCRUALS	X	95,354		95,354			95,354		95,354	
51	190128	190	NINE MILE TAP	N	20,990		20,990			20,990		20,990	
52	190129	190	NINE MILE TAP	N	4,880		4,880			4,880		4,880	
53	190140	190	PVNGS DECOMM NON UTILITY	N	484,816		484,816			484,816		484,816	
54	190141	190	PVNGS DECOMM NON UTILITY	N	108,318		108,318			108,318		108,318	
55	190142	190	Palo Verde Gain 1 & 2	M	119,759		119,759			119,759		119,759	

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						2015Q2	06/30/15			06/30/15	2015Q3	09/30/15	
10	Doc Ref	acct	sum	Rate Code	Adj Base	Activity 15Q2	Bal 15Q2	Depr Alloc 15Q2	Adj.s 15Q2	Adj. Bal 15Q2	Activity 15Q3	Bal 15Q3	Depr Alloc 15Q3
56	190143	190	Palo Verde Gain 1 & 2	M	97,374		97,374			97,374		97,374	
57	190146	190	Deferred Federal Tax Credits	R	8,369,225		8,369,225			8,369,225		8,369,225	
58	190147	190	Zero Balance	Z	-		-			-		-	
59	190148	190	Zero Balance	Z	-		-			-		-	
60	190151	190	OTHER POST EMPLOYMENT BENEFITS	x	(2,682,275)		(2,682,275)			(2,682,275)		(2,682,275)	
61	190152	190	OTHER POST EMPLOYMENT BENEFITS	x	(562,853)		(562,853)			(562,853)		(562,853)	
62	190151	190	PENSION VALUATION ALLOWANCE	x	67,196,635		67,196,635			67,196,635		67,196,635	
63	190152	190	PENSION VALUATION ALLOWANCE	x	(63,293,556)		(63,293,556)			(63,293,556)		(63,293,556)	
64	190163	190	REGULATORY RESERVE	X	(4,879)		(4,879)			(4,879)		(4,879)	
65	190164	190	REGULATORY RESERVE	X	(1,059)		(1,059)			(1,059)		(1,059)	
66	190165	190	ENVIRONMENTAL LIABILITY	X	4,619		4,619			4,619		4,619	
67	190166	190	ENVIRONMENTAL LIABILITY	X	1,003		1,003			1,003		1,003	
68	190169	190	FAS 109	X	29,867,170		29,867,170			29,867,170		29,867,170	
69	190170	190	FAS 109	X	42,025,472		42,025,472			42,025,472		42,025,472	
70	190175	190	WORKERS COMP	x	936,724		936,724			936,724		936,724	
71	190176	190	WORKERS COMP	x	206,647		206,647			206,647		206,647	
72	190177	190	SELF INSURANCE	x	200,885		200,885			200,885		200,885	
73	190178	190	SELF INSURANCE	x	44,307		44,307			44,307		44,307	
74	190187	190	ASSET RETIREMENT OBLIGATION	m	13,004,738		13,004,738			13,004,738		13,004,738	
75	190188	190	ASSET RETIREMENT OBLIGATION	m	2,822,511		2,822,511			2,822,511		2,822,511	
76	190191	190	SELF INSURANCE	X	8,837		8,837			8,837		8,837	
77	190192	190	SELF INSURANCE	X	1,912		1,912			1,912		1,912	
78	190193	190	Zero Balance	Z	-		-			-		-	
79	190194	190	Zero Balance	Z	-		-			-		-	
80	190195	190	Zero Balance	Z	1		1			1		1	
81	190196	190	Zero Balance	Z	(1)		(1)			(1)		(1)	
82	190201	190	Palo Verde Dry Cask Storage 1 & 2	M	(872,996)		(872,996)			(872,996)		(872,996)	
83	190202	190	Palo Verde Dry Cask Storage 1 & 2	M	872,996		872,996			872,996		872,996	
84	190205	190	LINE EXTENSION POLICY	R	786,444		786,444			786,444		786,444	
85	190206	190	LINE EXTENSION POLICY	R	170,687		170,687			170,687		170,687	
86	190209	190	Zero Balance	Z	-		-			-		-	
87	190210	190	Zero Balance	Z	-		-			-		-	
88	190215	190	OTHER LEGAL ACCRUALS	X	(963,433)		(963,433)			(963,433)		(963,433)	
89	190216	190	OTHER LEGAL ACCRUALS	X	(209,024)		(209,024)			(209,024)		(209,024)	
90	190217	190	HI VOLTAGE RESERVE	X	2,042,548		2,042,548			2,042,548		2,042,548	
91	190218	190	HI VOLTAGE RESERVE	X	443,309		443,309			443,309		443,309	
92	190219	190	STATE AND LOCAL TAX RESERVE	X	-		-			-		-	
93	190220	190	STATE AND LOCAL TAX RESERVE	X	-		-			-		-	
94	190223	190	Zero Balance	Z	-		-			-		-	
95	190224	190	Zero Balance	Z	-		-			-		-	
96	190225	190	Zero Balance	Z	-		-			-		-	
97	190226	190	Zero Balance	Z	-		-			-		-	
98	190229	190	Coal Mine Decommissioning	M	7,975,568		7,975,568			7,975,568		7,975,568	
99	190230	190	Coal Mine Decommissioning	M	2,760,918		2,760,918			2,760,918		2,760,918	
100	190233	190	Zero Balance	Z	-		-			-		-	

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					2015Q2	06/30/15			06/30/15	2015Q3	09/30/15		
10	Doc Ref	acct	sum	Rate Code	Adj Base	Activity 15Q2	Bal 15Q2	Depr Alloc 15Q2	Adj.s 15Q2	Adj. Bal 15Q2	Activity 15Q3	Bal 15Q3	Depr Alloc 15Q3
101	190234	190	Zero Balance	Z	-	-	-	-	-	-	-	-	-
102	190235	190	Coal Mine Decommissioning	M	(193,067)		(193,067)			(193,067)		(193,067)	
103	190236	190	Coal Mine Decommissioning	M	(41,903)		(41,903)			(41,903)		(41,903)	
104	190252	190	BAD DEBT ALLOWANCE	X	(60,113)		(60,113)			(60,113)		(60,113)	
105	190253	190	BAD DEBT ALLOWANCE	X	(6,733)		(6,733)			(6,733)		(6,733)	
106	190284	190	Contributions In Aid of Construction	r	1,102,350		1,102,350			1,102,350		1,102,350	
107	190285	190	Contributions In Aid of Construction	r	239,251		239,251			239,251		239,251	
108	190287	190	BIO MASS	x	(27,508)		(27,508)			(27,508)		(27,508)	
109	190288	190	BIO MASS	x	16,561		16,561			16,561		16,561	
110	190291	190	PREPAID RENT REVENUE	X	(1,128)		(1,128)			(1,128)		(1,128)	
111	190292	190	PREPAID RENT REVENUE	X	(47)		(47)			(47)		(47)	
112	190293	190	REVENUE SUBJECT TO REFUND	X	309,382		309,382			309,382		309,382	
113	190294	190	REVENUE SUBJECT TO REFUND	X	65,654		65,654			65,654		65,654	
114	190310	190	Net Operating Loss (NOL)	R	63,133,369	(5,611,391)	57,521,978		519,808	58,041,786	(23,599,882)	34,441,904	
115	190311	190	Net Operating Loss (NOL)	R	38,816,628		38,816,628			38,816,628		38,816,628	
116	190312	190	Zero Balance	Z	-		-			-		-	
117	190313	190	Zero Balance	Z	-		-			-		-	
118	190343	190	Zero Balance	Z	-		-			-		-	
119	190344	190	Zero Balance	Z	-		-			-		-	
120	190345	190	SIGS GROUNDWATER RESERVE	X	97,073		97,073			97,073		97,073	
121	190346	190	SIGS GROUNDWATER RESERVE	X	20,626		20,626			20,626		20,626	
122	190347	190	Zero Balance	Z	-		-			-		-	
123	190348	190	Zero Balance	Z	-		-			-		-	
124	190349	190	Zero Balance	Z	-		-			-		-	
125	190350	190	Zero Balance	Z	-		-			-		-	
126	190358	190	INJURY & DAMAGES	M	1,421,439		1,421,439			1,421,439		1,421,439	
127	190359	190	INJURY & DAMAGES	M	3,186		3,186			3,186		3,186	
128	190360	190	INJURY & DAMAGES	M	903,660		903,660			903,660		903,660	
129	190361	190	INJURY & DAMAGES	M	196,839		196,839			196,839		196,839	
130	190362	190	INJURY & DAMAGES	M	(3)		(3)			(3)		(3)	
131	190363	190	INJURY & DAMAGES	M	2		2			2		2	
132	190364	190	INJURY & DAMAGES	M	608,962		608,962			608,962		608,962	
133	190365	190	INJURY & DAMAGES	M	132,177		132,177			132,177		132,177	
134	190366	190	ROW RESERVE	X	238,922		238,922			238,922		238,922	
135	190367	190	ROW RESERVE	X	51,854		51,854			51,854		51,854	
136	190369	190	FEDERAL TAX CORRECTION	N	40,597		40,597			40,597		40,597	
137	190370	190	FEDERAL TAX CORRECTION	N	(100,534)		(100,534)			(100,534)		(100,534)	
138	190381	190	ROW RESERVE	X	(270,120)		(270,120)			(270,120)		(270,120)	
139	190382	190	ROW RESERVE	X	(58,488)		(58,488)			(58,488)		(58,488)	
140	190383	190	Zero Balance	Z	-		-			-		-	
141	190384	190	Zero Balance	Z	-		-			-		-	
142	190385	190	Palo Verde Construction Credits 1 & 2	M	(46,240)		(46,240)			(46,240)		(46,240)	
143	190386	190	Palo Verde Construction Credits 1 & 2	M	(10,036)		(10,036)			(10,036)		(10,036)	
144	190389	190	PROPERTY TAX RESERVE	X	52,203		52,203			52,203		52,203	
145	190390	190	PROPERTY TAX RESERVE	X	11,331		11,331			11,331		11,331	

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					2015Q2	06/30/15				06/30/15	2015Q3	09/30/15	
10	Doc Ref	acct	sum	Rate Code	Adj Base	Activity 15Q2	Bal 15Q2	Depr Alloc 15Q2	Adj.s 15Q2	Adj. Bal 15Q2	Activity 15Q3	Bal 15Q3	Depr Alloc 15Q3
146	190395	190	Zero Balance	Z	-		-			-		-	
147	190396	190	Zero Balance	Z	-		-			-		-	
148	190399	190	Zero Balance	Z	-		-			-		-	
149	190400	190	Zero Balance	Z	-		-			-		-	
150	190401	190	RATE RIDER	x	(302,939)		(302,939)			(302,939)		(302,939)	
151	190402	190	RATE RIDER	x	(65,832)		(65,832)			(65,832)		(65,832)	
152	190403	190	RENEWABLE CREDITS	x	27,564,601		27,564,601			27,564,601		27,564,601	
153	190404	190	INCENTIVE PAY PLANS	X	2,282,705		2,282,705			2,282,705		2,282,705	
154	190405	190	INCENTIVE PAY PLANS	X	495,211		495,211			495,211		495,211	
155	190406	190	ENERGY EFFICIENCY	x	1,175,767		1,175,767			1,175,767		1,175,767	
156	190407	190	ENERGY EFFICIENCY	x	255,185		255,185			255,185		255,185	
157	190413	190	NM SOLAR ENERGY CENTER	X	98,351		98,351			98,351		98,351	
158	190414	190	NM SOLAR ENERGY CENTER	X	20,743		20,743			20,743		20,743	
159	190415	190	DOE SPENT FUEL SETTLEMENT	m	(183,271)		(183,271)			(183,271)		(183,271)	
160	190416	190	DOE SPENT FUEL SETTLEMENT	m	199,002		199,002			199,002		199,002	
161	190419	190	SIERRA CLUB	X	-		-			-		-	
162	190420	190	SIERRA CLUB	X	-		-			-		-	
163	190421	190	LVGS Decommissioning	m	368,031		368,031			368,031		368,031	
164	190422	190	LVGS Decommissioning	m	76,771		76,771			76,771		76,771	
165	190423	190	EXTENDED LEAVE	x	23,412		23,412			23,412		23,412	
166	190424	190	EXTENDED LEAVE	x	5,169		5,169			5,169		5,169	
167	190425	190	Coal Mine Decommissioning	M	(95,748)		(95,748)			(95,748)		(95,748)	
168	190425	190	Coal Mine Decommissioning	M	(20,010)		(20,010)			(20,010)		(20,010)	
169	190429	190	EFFECT OF NM TAX RATE	x	427,857		427,857			427,857		427,857	
170	190430	190	EFFECT OF NM TAX RATE	x	72,124		72,124			72,124		72,124	
171	190431	190	Renewable NM AETC	RR	1,294,938		1,294,938			1,294,938		1,294,938	
172	190432	190	Renewable NM AETC	RR	285,710		285,710			285,710		285,710	
173	190433	190	NAVAJO WORKFORCE TRAINING	X	194,992		194,992			194,992		194,992	
174	190434	190	NAVAJO WORKFORCE TRAINING	X	42,880		42,880			42,880		42,880	
175	190435	190	SIGS AUDIT RESERVES	x	11,353		11,353			11,353		11,353	
176	190436	190	SIGS AUDIT RESERVES	x	5,614		5,614			5,614		5,614	
177	190437	190	SJ RECLAMATION TRUST	x	97,626		97,626			97,626		97,626	
178	190438	190	SJ RECLAMATION TRUST	x	20,769		20,769			20,769		20,769	
179	190441	190	Net Operating Loss (NOL)	R	1,509,523		1,509,523			1,509,523		1,509,523	
180	190442	190	Net Operating Loss (NOL)	R	(4,312,920)		(4,312,920)			(4,312,920)		(4,312,920)	
181	190443	190	FOUR CORNERS SURTAX SETTLEMENT	x	153,640		153,640			153,640		153,640	
182	190444	190	FOUR CORNERS SURTAX SETTLEMENT	x	32,028		32,028			32,028		32,028	
183	190445	190	DOE SPENT FUEL SETTLEMENT	m	637,833		637,833			637,833		637,833	
184	190446	190	DOE SPENT FUEL SETTLEMENT	m	132,963		132,963			132,963		132,963	
185	190447	190	DOE SPENT FUEL SETTLEMENT	m	1,182,507		1,182,507			1,182,507		1,182,507	
186	190448	190	DOE SPENT FUEL SETTLEMENT	m	246,507		246,507			246,507		246,507	
187	190900	190	Zero Balance	Z	-		-			-		-	
188	281000	281	Pollution Control Facilities 4 Corners	R	(439,168)		(439,168)			(60,511)		(499,679)	
189	281001	281	Pollution Control Facilities 4 Corners	R	(69,473)		(69,473)			(69,473)		(69,473)	
190	281003	281	FAS 109	X	(3,479,713)		(3,479,713)			(3,479,713)		(3,479,713)	

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191	281004	281	FAS 109	X	(747,462)		(747,462)			(747,462)		(747,462)	
192	282000	282	LIBERALIZED DEPRECIATION NONOP	N	3,458,183		3,458,183			3,458,183		3,458,183	
193	282001	282	LIBERALIZED DEPRECIATION NONOP	N	809,491		809,491			809,491		809,491	
194	282003	282	Liberalized Depreciation - Other	R	266,766,007	948,420	267,114,427			267,114,427	743,225	268,457,652	
195	282004	282	Liberalized Depreciation - Other	R	(90,409,678)		(90,409,678)			(90,409,678)		(90,409,678)	
196	282005	282	FERC Customer Depreciation	R	970,134		970,134		10,323	980,457		980,457	
197	282006	282	FERC Customer Depreciation	R	290,053		290,053			290,053		290,053	
198	282007	282	Palo Verde Start-Up Amortization	R	263,465		263,465			263,465		263,465	
199	282008	282	Palo Verde Start-Up Amortization	R	(13,439)		(13,439)			(13,439)		(13,439)	
200	282009	282	Nuclear Fuel Amortization PV 1&2	R	-		-			-		-	
201	282010	282	Nuclear Fuel Amortization PV 1&2	R	-		-			-		-	
202	282011	282	Liberalized Depreciation - PV 3	R	(60,928,974)	167,692	(60,761,282)			(60,761,282)	145,972	(60,615,310)	
203	282012	282	Liberalized Depreciation - PV 3	R	(7,988,868)		(7,988,868)			(7,988,868)		(7,988,868)	
204	282013	282	Liberalized Depreciation - Other	R	(14,439,647)		(14,439,647)		(38,550)	(14,473,197)		(14,473,197)	
205	282014	282	Liberalized Depreciation - Other	R	(1,847,932)		(1,847,932)			(1,847,932)		(1,847,932)	
206	282015	282	Zero Balance	Z	-		-			-		-	
207	282016	282	Zero Balance	Z	-		-			-		-	
208	282017	282	Debt AFUDC	R	(16,531,180)	(1,482,344)	(18,013,524)			(18,013,524)	(1,870,712)	(19,884,236)	
209	282018	282	Debt AFUDC	R	(3,590,106)		(3,590,106)			(3,590,106)		(3,590,106)	
210	282019	282	Palo Verde Licensing Amortization	R	(3,685,481)	(179,207)	(3,864,588)			(3,864,588)	(73,026)	(3,937,714)	
211	282020	282	Palo Verde Licensing Amortization	R	(801,360)		(801,360)			(801,360)		(801,360)	
212	282021	282	ASSET RETIREMENT OBLIGATION	M	19,672,862		19,672,862			19,672,862		19,672,862	
213	282022	282	ASSET RETIREMENT OBLIGATION	M	4,229,087		4,229,087			4,229,087		4,229,087	
214	282025	282	Pre-1981 Repair Allowance	R	(18,190,422)		(18,190,422)			(18,190,422)		(18,190,422)	
215	282026	282	Pre-1981 Repair Allowance	R	(3,948,000)		(3,948,000)			(3,948,000)		(3,948,000)	
216	282031	282	Liberalized Depreciation - Other	R	1,768,180		1,768,180			1,768,180		1,768,180	
217	282032	282	Liberalized Depreciation - Other	R	382,741		382,741			382,741		382,741	
218	282033	282	FAS 109	X	(32,781,249)		(32,781,249)			(32,781,249)		(32,781,249)	
219	282034	282	FAS 109	X	(4,343,328)		(4,343,328)			(4,343,328)		(4,343,328)	
220	282050	282	Zero Balance	Z	-		-			-		-	
221	282051	282	Zero Balance	Z	-		-			-		-	
222	282052	282	ASSET RETIREMENT OBLIGATION	M	16,816,822		16,816,822			16,816,822		16,816,822	
223	282053	282	ASSET RETIREMENT OBLIGATION	M	5,186,760		5,186,760			5,186,760		5,186,760	
224	282185	282	Liberalized Depreciation - Other	R	-		-		(247,590)	(247,590)		(247,590)	
225	282186	282	Liberalized Depreciation - Other	R	-		-		184,336	184,336		184,336	
226	282187	282	Zero Balance	Z	-		-			-		-	
227	282188	282	Zero Balance	Z	-		-			-		-	
228	282189	282	Zero Balance	Z	-		-			-		-	
229	282190	282	Zero Balance	Z	-		-			-		-	
230	282191	282	Zero Balance	Z	-		-			-		-	
231	282192	282	Zero Balance	Z	-		-			-		-	
232	282193	282	Zero Balance	Z	-		-			-		-	
233	282194	282	Zero Balance	Z	-		-			-		-	
234	282195	282	Zero Balance	Z	-		-			-		-	
235	282196	282	Zero Balance	Z	-		-			-		-	

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10	Doc Ref	acct	sum	Rate Code	Adj Base	Activity 15Q2	Bal 15Q2	Depr Alloc 15Q2	Adj.s 15Q2	Adj. Bal 15Q2	Activity 15Q3	Bal 15Q3	Depr Alloc 15Q3
236	282197	282	Zero Balance	Z	-		-			-		-	
237	282198	282	Zero Balance	Z	-		-			-		-	
238	282201	282	Zero Balance	Z	-		-			-		-	
239	282202	282	Zero Balance	Z	-		-			-		-	
240	282203	282	ASSET RETIREMENT OBLIGATION	m	224,672		224,672			224,572		224,672	
241	282204	282	ASSET RETIREMENT OBLIGATION	m	48,762		48,762			48,762		48,762	
242	282243	282	Zero Balance	Z	-		-			-		-	
243	282244	282	Zero Balance	Z	-		-			-		-	
244	282267	282	AFTON WRITEDOWN	R	6,503,263		6,503,263			6,503,263		6,503,263	
245	282268	282	AFTON WRITEDOWN	R	1,411,449		1,411,449			1,411,449		1,411,449	
246	282304	282	Nuclear Fuel Amortization PV 1&2	R	-		-			-		-	
247	282305	282	Nuclear Fuel Amortization PV 1&2	R	-		-			-		-	
248	282306	282	Zero Balance	Z	-		-			-		-	
249	282307	282	Zero Balance	Z	-		-			-		-	
250	282308	282	Zero Balance	Z	-		-			-		-	
251	282309	282	Zero Balance	Z	-		-			-		-	
252	282310	282	Zero Balance	Z	-		-			-		-	
253	282311	282	Zero Balance	Z	-		-			-		-	
254	282312	282	Zero Balance	Z	-		-			-		-	
255	282313	282	Zero Balance	Z	-		-			-		-	
256	282314	282	Zero Balance	Z	-		-			-		-	
257	282315	282	Zero Balance	Z	-		-			-		-	
258	282318	282	Zero Balance	Z	-		-			-		-	
259	282319	282	Zero Balance	Z	-		-			-		-	
260	282320	282	Liberalized Depreciation - Other	R	(126,259,289)	(392,000)	(126,651,289)			(126,651,289)	(392,000)	(127,043,289)	
261	282321	282	Liberalized Depreciation - Other	R	(25,223,043)		(25,223,043)			(25,223,043)		(25,223,043)	
262	282322	282	ALVARADO SQUARE ABANDONMENT	m	(1,237,351)		(1,237,351)			(1,237,351)		(1,237,351)	
263	282323	282	ALVARADO SQUARE ABANDONMENT	m	(280,920)		(280,920)			(280,920)		(280,920)	
264	282386	282	Zero Balance	Z	-		-			-		-	
265	282387	282	Zero Balance	Z	-		-			-		-	
266	282500	282	Zero Balance	Z	-		-			-		-	
267	283001	283	BONUS ACCRUAL	X	(575,272)		(575,272)			(575,272)		(575,272)	
268	283002	283	BONUS ACCRUAL	X	(124,855)		(124,855)			(124,855)		(124,855)	
269	283004	283	Zero Balance	Z	-		-			-		-	
270	283005	283	Zero Balance	Z	-		-			-		-	
271	283008	283	Zero Balance	Z	-		-			-		-	
272	283009	283	Zero Balance	Z	-		-			-		-	
273	283010	283	LOSS ON REACQUIRED DEBT	M	(3,271,767)		(3,271,767)			(3,271,767)		(3,271,767)	
274	283013	283	LOSS ON REACQUIRED DEBT	M	(686,848)		(686,848)			(686,848)		(686,848)	
275	283019	283	GAIN REACQUIRED DEBT	X	(174,832)		(174,832)			(174,832)		(174,832)	
276	283020	283	GAIN REACQUIRED DEBT	X	(37,942)		(37,942)			(37,942)		(37,942)	
277	283023	283	Pension Qualified	m	(740,908)		(740,908)			(740,908)		(740,908)	
278	283024	283	Pension Qualified	m	(160,794)		(160,794)			(160,794)		(160,794)	
279	283034	283	RATE CASE EXPENSE	M	(598,150)		(598,150)			(598,150)		(598,150)	
280	283035	283	RATE CASE EXPENSE	M	(126,895)		(126,895)			(126,895)		(126,895)	

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					2015Q2	06/30/15				06/30/15	2015Q3	09/30/15	
10	Doc Ref	acct	sum	Rate Code	Adj Base	Activity 15Q2	Bal 15Q2	Depr Alloc 15Q2	Adj.s 15Q2	Adj. Bal 15Q2	Activity 15Q3	Bal 15Q3	Depr Alloc 15Q3
281	283144	283	FAS 109	X	(16,947,914)		(16,947,914)			(16,947,914)		(16,947,914)	
282	283145	283	FAS 109	X	(2,955,663)		(2,955,663)			(2,955,663)		(2,955,663)	
283	283154	283	ASSET RETIREMENT OBLIGATION	m	(20,377,059)		(20,377,059)			(20,377,059)		(20,377,059)	
284	283155	283	ASSET RETIREMENT OBLIGATION	m	(4,400,886)		(4,400,886)			(4,400,886)		(4,400,886)	
285	283156	283	COMPENSATION EXPENSE	x	(6,080)		(6,080)			(6,080)		(6,080)	
286	283157	283	COMPENSATION EXPENSE	x	(1,320)		(1,320)			(1,320)		(1,320)	
287	283158	283	PVNGS DECOMM NON UTILITY	N	(14,917,602)		(14,917,602)			(14,917,602)		(14,917,602)	
288	283159	283	PVNGS DECOMM NON UTILITY	N	(3,049,264)		(3,049,264)			(3,049,264)		(3,049,264)	
289	283160	283	FAS 115	X	(1,163,510)		(1,163,510)			(1,163,510)		(1,163,510)	
290	283161	283	FAS 115	X	231,489		231,489			231,489		231,489	
291	283162	283	MARK TO MARKET	x	38,497,248		38,497,248			38,497,248		38,497,248	
292	283163	283	MARK TO MARKET	x	4,103,832		4,103,832			4,103,832		4,103,832	
293	283164	283	Zero Balance	Z	-		-			-		-	
294	283165	283	Zero Balance	Z	-		-			-		-	
295	283166	283	Zero Balance	Z	-		-			-		-	
296	283167	283	Zero Balance	Z	-		-			-		-	
297	283168	283	UNREALIZED GAIN ON ENERGY TRADING	X	(1,518,967)		(1,518,967)			(1,518,967)		(1,518,967)	
298	283169	283	UNREALIZED GAIN ON ENERGY TRADING	X	(322,765)		(322,765)			(322,765)		(322,765)	
299	283170	283	Zero Balance	Z	-		-			-		-	
300	283171	283	Zero Balance	Z	-		-			-		-	
301	283174	283	HEDGE LOSS	N	395,030		395,030			395,030		395,030	
302	283175	283	HEDGE LOSS	N	62,030		62,030			62,030		62,030	
303	283180	283	ACCURRED ILLNESS	X	248,655		248,655			248,655		248,655	
304	283181	283	ACCURRED ILLNESS	X	53,972		53,972			53,972		53,972	
305	283182	283	BOOK CAPITALIZED INTEREST	R	(6,129,891)		(6,129,891)			(6,129,891)		(6,129,891)	
306	283183	283	BOOK CAPITALIZED INTEREST	R	(1,327,468)		(1,327,468)			(1,327,468)		(1,327,468)	
307	283185	283	Zero Balance	Z	-		-			-		-	
308	283186	283	Zero Balance	Z	-		-			-		-	
309	283187	283	ASSET RETIREMENT OBLIGATION	m	(20,042,441)		(20,042,441)			(20,042,441)		(20,042,441)	
310	283188	283	ASSET RETIREMENT OBLIGATION	m	(4,349,953)		(4,349,953)			(4,349,953)		(4,349,953)	
311	283189	283	Zero Balance	Z	-		-			-		-	
312	283190	283	Zero Balance	Z	-		-			-		-	
313	283191	283	Coal Mine Decommissioning	M	(11,723,858)		(11,723,858)			(11,723,858)		(11,723,858)	
314	283192	283	Coal Mine Decommissioning	M	(2,544,512)		(2,544,512)			(2,544,512)		(2,544,512)	
315	283193	283	PREPAID EXPENSES	R	(3,137,587)		(3,137,587)			(3,137,587)		(3,137,587)	
316	283194	283	PREPAID EXPENSES	R	(680,016)		(680,016)			(680,016)		(680,016)	
317	283201	283	PCB REFINANCING	m	(8,014,894)		(8,014,894)			(8,014,894)		(8,014,894)	
318	283202	283	PCB REFINANCING	m	(1,219,702)		(1,219,702)			(1,219,702)		(1,219,702)	
319	283203	283	SUN REFINANCING	x	1,447,171		1,447,171			1,447,171		1,447,171	
320	283204	283	SUN REFINANCING	x	327,672		327,672			327,672		327,672	
321	283205	283	Zero Balance	Z	-		-			-		-	
322	283206	283	Zero Balance	Z	-		-			-		-	
323	283207	283	DEBT ISSUANCE COST	X	(16,393)		(16,393)			(16,393)		(16,393)	
324	283208	283	DEBT ISSUANCE COST	X	(3,756)		(3,756)			(3,756)		(3,756)	
325	283210	283	LOSS ON REACQUIRED DEBT	M	707,991		707,991			707,991		707,991	

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					2015Q2	06/30/15			06/30/15	2015Q3	09/30/15		
10	Doc Ref	acct	sum	Rate Code	Adj Base	Activity 15Q2	Bal 15Q2	Depr Alloc 15Q2	Adj.s 15Q2	Adj. Ba 15Q2	Activity 15Q3	Bal 15Q3	Depr Alloc 15Q3
326	283213	283	LOSS ON REACQUIRED DEBT	M	(38,571)		(38,571)			(38,571)		(38,571)	
327	283215	283	SUN REFINANCING	X	(1,704,127)		(1,704,127)			(1,704,127)		(1,704,127)	
328	283216	283	SUN REFINANCING	X	(369,858)		(369,858)			(369,858)		(369,858)	
329	283217	283	SUN REFINANCING	X	(107,370)		(107,370)			(107,370)		(107,370)	
330	283218	283	SUN REFINANCING	X	(26,532)		(26,532)			(26,532)		(26,532)	
331	283223	283	STATE AND LOCAL TAX RESERVE	X	48,312		48,312			48,312		48,312	
332	283224	283	STATE AND LOCAL TAX RESERVE	X	10,485		10,485			10,485		10,485	
333	283225	283	Zero Balance	Z	-		-			-		-	
334	283226	283	Zero Balance	Z	-		-			-		-	
335	283231	283	PCB REFINANCING	m	871,951		871,951			871,951		871,951	
336	283232	283	PCB REFINANCING	m	188,638		188,638			188,638		188,638	
337	283233	283	PCB REFINANCING	m	1,396,404		1,396,404			1,396,404		1,396,404	
338	283234	283	PCB REFINANCING	m	303,072		303,072			303,072		303,072	
339	283235	283	SUN REFINANCING	X	(1,369,413)		(1,369,413)			(1,369,413)		(1,369,413)	
340	283236	283	SUN REFINANCING	X	(297,213)		(297,213)			(297,213)		(297,213)	
341	283240	283	SO2 ALLOWANCE CREDITS	X	1		1			1		1	
342	283241	283	SO2 ALLOWANCE CREDITS	X	-		-			-		-	
343	283275	283	BAD DEBT ALLOWANCE	X	10,084		10,084			10,084		10,084	
344	283276	283	BAD DEBT ALLOWANCE	X	2,189		2,189			2,189		2,189	
345	283296	283	PV INCENTIVE PROGRAM	X	325,909		325,909			325,909		325,909	
346	283297	283	PV INCENTIVE PROGRAM	X	52,131		52,131			52,131		52,131	
347	283298	283	BIOMASS	X	(76,295)		(76,295)			(76,295)		(76,295)	
348	283299	283	BIOMASS	X	(16,559)		(16,559)			(16,559)		(16,559)	
349	283300	283	RENEWABLE ENERGY CERTIFICATES	X	(557,949)		(557,949)			(557,949)		(557,949)	
350	283301	283	RENEWABLE ENERGY CERTIFICATES	X	(153,981)		(153,981)			(153,981)		(153,981)	
351	283317	283	RATE CASE EXPENSE	M	373,753		373,753			373,753		373,753	
352	283318	283	RATE CASE EXPENSE	M	(23,948)		(23,948)			(23,948)		(23,948)	
353	283325	283	Zero Balance	Z	-		-			-		-	
354	283326	283	Zero Balance	Z	-		-			-		-	
355	283361	283	BONUS ACCRUAL	X	3,061,076		3,061,076			3,061,076		3,061,076	
356	283362	283	BONUS ACCRUAL	X	664,357		664,357			664,357		664,357	
357	283363	283	BONUS ACCRUAL	X	(3,061,077)		(3,061,077)			(3,061,077)		(3,061,077)	
358	283364	283	BONUS ACCRUAL	X	(664,362)		(664,362)			(664,362)		(664,362)	
359	283367	283	FIN 48 INTEREST	X	(2,197,755)		(2,197,755)			(2,197,755)		(2,197,755)	
360	283368	283	FIN 48 INTEREST	X	(476,995)		(476,995)			(476,995)		(476,995)	
361	283369	283	RATE CASE EXPENSE	M	-		-			-		-	
362	283370	283	RATE CASE EXPENSE	M	-		-			-		-	
363	283382	283	Zero Balance	Z	-		-			-		-	
364	283383	283	Zero Balance	Z	-		-			-		-	
365	283386	283	FIN 48 INTEREST	X	960,426		960,426			960,426		960,426	
366	283387	283	FIN 48 INTEREST	X	207,108		207,108			207,108		207,108	
367	283388	283	PVNIGS #2 CARRYING COSTS	X	-		-			-		-	
368	283389	283	PVNIGS #2 CARRYING COSTS	X	-		-			-		-	
369	283390	283	RENEWABLE ENERGY EXPENSES	M	-		-			-		-	
370	283391	283	RENEWABLE ENERGY EXPENSES	M	-		-			-		-	

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			Linkage		09/30/15	2015Q4	12/31/15				12/31/15	2016Q1	
10	Doc Ref	acct	sum	Rate Code	MDCs	Adj.s 15Q3	Adj. Bal 15Q3	Activity 15Q4	Bal 15Q4	Depr Alloc 15Q4	Adj.s 15Q4	Adj. Bal 15Q4	Activity 16Q1
11	190000	190	MISC NON OPERATING	N			525,214		525,214				525,214
12	1900003	190	Zero Balance	Z			-		-				-
13	1900004	190	Zero Balance	Z			-		-				-
14	1900001	190	TRI STATE RIGHT OF WAY	X			108,238		108,238				108,238
15	1900002	190	TRI STATE RIGHT OF WAY	X			(116,156)		(116,156)				(116,156)
16	190004	190	ALVARADO SQUARE	X			383,930		383,930				383,930
17	190005	190	ALVARADO SQUARE	X			83,323		83,323				83,323
18	190009	190	WAGES	X			273,987		273,987				273,987
19	190010	190	WAGES	X			60,822		60,822				60,822
20	190015	190	Pension Qualified	M	316,699.54		(51,968,799)		(51,968,799)				(51,968,799)
21	190016	190	Pension Qualified	M			(18,416,613)		(18,416,613)				(18,416,613)
22	190019	190	Deferred Federal Tax Credits	r			105,491		105,491				105,491
23	190023	190	ACCURED VACATION	X			2,037,200		2,037,200				2,037,200
24	190024	190	ACCURED VACATION	X			442,098		442,098				442,098
25	190027	190	Zero Balance	z			-		-				-
26	190028	190	Zero Balance	z			-		-				-
27	190035	190	Eastern Interconnect Project Gain	m	0		(26,320)		(26,320)				(26,320)
28	190036	190	Eastern Interconnect Project Gain	m			26,320		26,320				26,320
29	190039	190	Palo Verde Prudence Audit 1 & 2	M	(14,825)		158,796		158,796				158,796
30	190040	190	Palo Verde Prudence Audit 1 & 2	M			(149,568)		(149,568)				(149,568)
31	190046	190	Contributions In Aid of Construction	R			27,749,739		27,749,739				27,749,739
32	190047	190	Contributions In Aid of Construction	R			6,008,212		6,008,212				6,008,212
33	190048	190	TAX CAPITALIZED INTEREST	R			19,097,437		19,097,437				19,097,437
34	190049	190	TAX CAPITALIZED INTEREST	R			3,051,461		3,051,461				3,051,461
35	190050	190	GAS PLANT DECOMM S FE	N			(136,544)		(136,544)				(136,544)
36	190051	190	GAS PLANT DECOMM S FE	N			(29,549)		(29,549)				(29,549)
37	190052	190	ASSET RETIREMENT OBLIGATION	m			(5,498,181)		(5,498,181)				(5,498,181)
38	190053	190	ASSET RETIREMENT OBLIGATION	m			(1,136,933)		(1,136,933)				(1,136,933)
39	190054	190	Zero Balance	Z			-		-				-
40	190055	190	Zero Balance	Z			-		-				-
41	190056	190	Palo Verde Construction Credits 1 & 2	M	(13,931)		127,164		127,164				127,164
42	190057	190	Palo Verde Construction Credits 1 & 2	M			20,869		20,869				20,869
43	190084	190	GENERAL RESERVE	X			824,369		824,369				824,369
44	190085	190	GENERAL RESERVE	X			178,596		178,596				178,596
45	190086	190	PCB REFINANCING	m			32,615		32,615				32,615
46	190087	190	PCB REFINANCING	m			7,078		7,078				7,078
47	190088	190	COMPENSATION EXPENSE	X			(3,115,998)		(3,115,998)				(3,115,998)
48	190089	190	COMPENSATION EXPENSE	X			(658,653)		(658,653)				(658,653)
49	190115	190	OTHER LEGAL ACCRUALS	X			439,340		439,340				439,340
50	190116	190	OTHER LEGAL ACCRUALS	X			95,354		95,354				95,354
51	190128	190	NINE MILE TAP	N			20,990		20,990				20,990
52	190129	190	NINE MILE TAP	N			4,880		4,880				4,880
53	190140	190	PVNGS DECOMM NON UTILITY	N			484,816		484,816				484,816
54	190141	190	PVNGS DECOMM NON UTILITY	N			108,318		108,318				108,318
55	190142	190	Palo Verde Gain 1 & 2	M	(28,441)		91,318		91,318				91,318

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10	Doc Ref	acct	sum	Rate Code	MDCs	Adj.s 15Q3	Adj. Bal 15Q3	Activity 15Q4	Bal 15Q4	Depr Alloc 15Q4	Adj.s 15Q4	Adj. Bal 15Q4	Activity 16Q1
56	190143	190	Palo Verde Gain 1 & 2	M			97,374		97,374			97,374	
57	190146	190	Deferred Federal Tax Credits	R			8,369,225		8,369,225			8,369,225	
58	190147	190	Zero Balance	Z			-		-			-	
59	190148	190	Zero Balance	Z			-		-			-	
60	190151	190	OTHER POST EMPLOYMENT BENEFITS	x			(2,682,275)		(2,682,275)			(2,682,275)	
61	190152	190	OTHER POST EMPLOYMENT BENEFITS	x			(562,853)		(562,853)			(562,853)	
62	190161	190	PENSION VALUATION ALLOWANCE	x			67,196,635		67,196,635			67,196,635	
63	190162	190	PENSION VALUATION ALLOWANCE	x			(63,293,556)		(63,293,556)			(63,293,556)	
64	190163	190	REGULATORY RESERVE	X			(4,879)		(4,879)			(4,879)	
65	190164	190	REGULATORY RESERVE	X			(1,059)		(1,059)			(1,059)	
66	190165	190	ENVIRONMENTAL LIABILITY	X			4,619		4,619			4,619	
67	190166	190	ENVIRONMENTAL LIABILITY	X			1,003		1,003			1,003	
68	190169	190	FAS 109	X			29,867,170		29,867,170			29,867,170	
69	190170	190	FAS 109	X			42,025,472		42,025,472			42,025,472	
70	190175	190	WORKERS COMP	x			936,724		936,724			936,724	
71	190176	190	WORKERS COMP	x			206,647		206,647			206,647	
72	190177	190	SELF INSURANCE	x			200,885		200,885			200,885	
73	190178	190	SELF INSURANCE	x			44,307		44,307			44,307	
74	190187	190	ASSET RETIREMENT OBLIGATION	m			13,004,738		13,004,738			13,004,738	
75	190188	190	ASSET RETIREMENT OBLIGATION	m			2,822,511		2,822,511			2,822,511	
76	190191	190	SELF INSURANCE	X			8,837		8,837			8,837	
77	190192	190	SELF INSURANCE	X			1,912		1,912			1,912	
78	190193	190	Zero Balance	Z			-		-			-	
79	190194	190	Zero Balance	Z			-		-			-	
80	190195	190	Zero Balance	Z			1		1			1	
81	190196	190	Zero Balance	Z			(1)		(1)			(1)	
82	190201	190	Palo Verde Dry Cask Storage 1 & 2	M	(0)		(872,996)		(872,996)			(872,996)	
83	190202	190	Palo Verde Dry Cask Storage 1 & 2	M			872,996		872,996			872,996	
84	190205	190	LINE EXTENSION POLICY	R			786,444		786,444			786,444	
85	190206	190	LINE EXTENSION POLICY	R			170,687		170,687			170,687	
86	190209	190	Zero Balance	Z			-		-			-	
87	190210	190	Zero Balance	Z			-		-			-	
88	190215	190	OTHER LEGAL ACCRUALS	X			(963,433)		(963,433)			(963,433)	
89	190216	190	OTHER LEGAL ACCRUALS	X			(209,024)		(209,024)			(209,024)	
90	190217	190	HI VOLTAGE RESERVE	X			2,042,548		2,042,548			2,042,548	
91	190218	190	HI VOLTAGE RESERVE	X			443,309		443,309			443,309	
92	190219	190	STATE AND LOCAL TAX RESERVE	X			-		-			-	
93	190220	190	STATE AND LOCAL TAX RESERVE	X			-		-			-	
94	190223	190	Zero Balance	Z			-		-			-	
95	190224	190	Zero Balance	Z			-		-			-	
96	190225	190	Zero Balance	Z			-		-			-	
97	190226	190	Zero Balance	Z			-		-			-	
98	190229	190	Coal Mine Decommissioning	M	354,422		8,329,990		8,329,990			8,329,990	
99	190230	190	Coal Mine Decommissioning	M			2,760,918		2,760,918			2,760,918	
100	190233	190	Zero Balance	Z			-		-			-	

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10	Doc Ref	acct	sum	Rate Code	MDCs	Adj.s 15Q3	Adj. Bal 15Q3	Activity 15Q4	Bal 15Q4	Depr Alloc 15Q4	Adj.s 15Q4	Adj. Bal 15Q4	Activity 16Q1
101	190234	190	Zero Balance	Z			-		-			-	
102	190235	190	Coal Mine Decommissioning	M		(193,067)		(193,067)				(193,067)	
103	190236	190	Coal Mine Decommissioning	M		(41,903)		(41,903)				(41,903)	
104	190252	190	BAD DEBT ALLOWANCE	X		(60,113)		(60,113)				(60,113)	
105	190253	190	BAD DEBT ALLOWANCE	X		(6,733)		(6,733)				(6,733)	
106	190284	190	Contributions In Aid of Construction	r		1,102,350		1,102,350				1,102,350	
107	190285	190	Contributions In Aid of Construction	r		239,251		239,251				239,251	
108	190287	190	BIOMASS	x		(27,508)		(27,508)				(27,508)	
109	190288	190	BIOMASS	x		16,561		16,561				16,561	
110	190291	190	PREPAID RENT REVENUE	X		(1,128)		(1,128)				(1,128)	
111	190292	190	PREPAID RENT REVENUE	X		(47)		(47)				(47)	
112	190293	190	REVENUE SUBJECT TO REFUND	x		309,382		309,382				309,382	
113	190294	190	REVENUE SUBJECT TO REFUND	x		65,654		65,654				65,654	
114	190310	190	Net Operating Loss (NOL)	R		500,975	34,942,879	4,554,928	39,497,807		37,848,572	77,346,379	4,612,638
115	190311	190	Net Operating Loss (NOL)	R		38,816,628		38,816,628				38,816,628	
116	190312	190	Zero Balance	z		-		-				-	
117	190313	190	Zero Balance	z		-		-				-	
118	190343	190	Zero Balance	z		-		-				-	
119	190344	190	Zero Balance	z		-		-				-	
120	190345	190	SIGS GROUNDWATER RESERVE	X		97,073		97,073				97,073	
121	190346	190	SIGS GROUNDWATER RESERVE	X		20,626		20,626				20,626	
122	190347	190	Zero Balance	z		-		-				-	
123	190348	190	Zero Balance	z		-		-				-	
124	190349	190	Zero Balance	z		-		-				-	
125	190350	190	Zero Balance	z		-		-				-	
126	190358	190	INJURY & DAMAGES	M	0	1,421,439		1,421,439				1,421,439	
127	190359	190	INJURY & DAMAGES	M		3,186		3,186				3,186	
128	190360	190	INJURY & DAMAGES	M		903,660		903,660				903,660	
129	190361	190	INJURY & DAMAGES	M		196,839		196,839				196,839	
130	190362	190	INJURY & DAMAGES	M		(3)		(3)				(3)	
131	190363	190	INJURY & DAMAGES	M		2		2				2	
132	190364	190	INJURY & DAMAGES	M		608,962		608,962				608,962	
133	190365	190	INJURY & DAMAGES	M		132,177		132,177				132,177	
134	190366	190	ROW RESERVE	X		238,922		238,922				238,922	
135	190367	190	ROW RESERVE	X		51,854		51,854				51,854	
136	190369	190	FEDERAL TAX CORRECTION	N		40,597		40,597				40,597	
137	190370	190	FEDERAL TAX CORRECTION	N		(100,534)		(100,534)				(100,534)	
138	190381	190	ROW RESERVE	X		(270,120)		(270,120)				(270,120)	
139	190382	190	ROW RESERVE	X		(58,488)		(58,488)				(58,488)	
140	190383	190	Zero Balance	Z		-		-				-	
141	190384	190	Zero Balance	Z		-		-				-	
142	190385	190	Palo Verde Construction Credits 1 & 2	m		(46,240)		(46,240)				(46,240)	
143	190386	190	Palo Verde Construction Credits 1 & 2	m		(10,036)		(10,036)				(10,036)	
144	190389	190	PROPERTY TAX RESERVE	X		52,203		52,203				52,203	
145	190390	190	PROPERTY TAX RESERVE	X		11,331		11,331				11,331	

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10	Doc Ref	acct	sum	Rate Code	Linkage	09/30/15	2015Q4	12/31/15			12/31/15		2016Q1
146	190395	190	Zero Balance	Z					-			-	
147	190396	190	Zero Balance	Z					-			-	
148	190399	190	Zero Balance	z					-			-	
149	190400	190	Zero Balance	z					-			-	
150	190401	190	RATE RIDER	x		(302,939)		(302,939)				(302,939)	
151	190402	190	RATE RIDER	x		(65,832)		(65,832)				(65,832)	
152	190403	190	RENEWABLE CREDITS	x		27,564,601		27,564,601				27,564,601	
153	190404	190	INCENTIVE PAY PLANS	x		2,282,705		2,282,705				2,282,705	
154	190405	190	INCENTIVE PAY PLANS	X		495,211		495,211				495,211	
155	190406	190	ENERGY EFFICIENCY	x		1,175,767		1,175,767				1,175,767	
156	190407	190	ENERGY EFFICIENCY	x		255,185		255,185				255,185	
157	190413	190	NM SOLAR ENERGY CENTER	X		98,351		98,351				98,351	
158	190414	190	NM SOLAR ENERGY CENTER	X		20,743		20,743				20,743	
159	190415	190	DOE SPENT FUEL SETTLEMENT	m	(O)	(183,272)		(183,272)				(183,272)	
160	190416	190	DOE SPENT FUEL SETTLEMENT	m		199,002		199,002				199,002	
161	190419	190	SIERRA CLUB	X		-		-				-	
162	190420	190	SIERRA CLUB	X		-		-				-	
163	190421	190	LVGS Decommissioning	m	26,629	394,659		394,659				394,659	
164	190422	190	LVGS Decommissioning	m		76,771		76,771				76,771	
165	190423	190	EXTENDED LEAVE	x		23,412		23,412				23,412	
166	190424	190	EXTENDED LEAVE	x		5,169		5,169				5,169	
167	190425	190	Coal Mine Decommissioning	M		(95,748)		(95,748)				(95,748)	
168	190426	190	Coal Mine Decommissioning	M		(20,010)		(20,010)				(20,010)	
169	190429	190	EFFECT OF NM TAX RATE	X		427,857		427,857				427,857	
170	190430	190	EFFECT OF NM TAX RATE	X		72,124		72,124				72,124	
171	190431	190	Renewable NM AETC	RR	(38,032)	1,256,906		1,256,906				1,256,906	
172	190432	190	Renewable NM AETC	RR		285,710		285,710				285,710	
173	190433	190	NAVAJO WORKFORCE TRAINING	X		194,992		194,992				194,992	
174	190434	190	NAVAJO WORKFORCE TRAINING	X		42,880		42,880				42,880	
175	190435	190	SIGS AUDIT RESERVES	X		11,353		11,353				11,353	
176	190436	190	SIGS AUDIT RESERVES	X		5,614		5,614				5,614	
177	190437	190	SJ RECLAMATION TRUST	X		97,626		97,626				97,626	
178	190438	190	SJ RECLAMATION TRUST	X		20,769		20,769				20,769	
179	190441	190	Net Operating Loss (NOL)	R		1,509,523		1,509,523				1,509,523	
180	190442	190	Net Operating Loss (NOL)	R		(4,312,920)		(4,312,920)				(4,312,920)	
181	190443	190	FOUR CORNERS SURTAX SETTLEMENT	X		153,640		153,640				153,640	
182	190444	190	FOUR CORNERS SURTAX SETTLEMENT	X		32,028		32,028				32,028	
183	190445	190	DOE SPENT FUEL SETTLEMENT	E		637,833		637,833				637,833	
184	190446	190	DOE SPENT FUEL SETTLEMENT	m		132,963		132,963				132,963	
185	190447	190	DOE SPENT FUEL SETTLEMENT	m		1,182,507		1,182,507				1,182,507	
186	190448	190	DOE SPENT FUEL SETTLEMENT	m		246,507		246,507				246,507	
187	190900	190	Zero Balance	z		-		-				-	
188	281000	281	Pollution Control Facilities 4 Corners	R		(60,511)	(560,189)	(560,189)			(60,511)	(620,700)	
189	281001	281	Pollution Control Facilities 4 Corners	R		(69,473)		(69,473)				(69,473)	
190	281003	281	FAS 109	X		(3,479,713)		(3,479,713)				(3,479,713)	

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191	281004	281	FAS 109	X			(747,462)		(747,462)			(747,462)	
192	282000	282	LIBERALIZED DEPRECIATION NONOP	N			3,458,183		3,458,183			3,458,183	
193	282001	282	LIBERALIZED DEPRECIATION NONOP	N			809,491		809,491			809,491	
194	282003	282	Liberalized Depreciation - Other	R			268,457,652	638,994	269,096,646			269,096,646	859,800
195	282004	282	Liberalized Depreciation - Other	R			(90,409,678)		(90,409,678)			(90,409,678)	
196	282005	282	FERC Customer Depreciation	R		10,323	990,779		990,779		10,323	1,001,102	
197	282006	282	FERC Customer Depreciation	R			290,053		290,053			290,053	
198	282007	282	Palo Verde Start-Up Amortization	R			263,465		263,465			263,465	
199	282008	282	Palo Verde Start-Up Amortization	R			(13,439)		(13,439)			(13,439)	
200	282009	282	Nuclear Fuel Amortization PV 1&2	R			-		-			-	
201	282010	282	Nuclear Fuel Amortization PV 1&2	R			-		-			-	
202	282011	282	Liberalized Depreciation - PV 3	R			(60,615,310)	127,886	(60,487,424)			(60,487,424)	175,975
203	282012	282	Liberalized Depreciation - PV 3	R			(7,988,868)		(7,988,868)			(7,988,868)	
204	282013	282	Liberalized Depreciation - Other	R		(33,550)	(14,506,747)		(14,506,747)		(33,550)	(14,540,297)	
205	282014	282	Liberalized Depreciation - Other	R			(1,847,932)		(1,847,932)			(1,847,932)	
206	282015	282	Zero Balance	Z			-		-			-	
207	282016	282	Zero Balance	Z			-		-			-	
208	282017	282	Debt AFUDC	R			(19,884,236)	(2,153,028)	(22,037,264)			(22,037,264)	(911,054)
209	282018	282	Debt AFUDC	R			(3,590,106)		(3,590,106)			(3,590,106)	
210	282019	282	Palo Verde Licensing Amortization	R			(3,937,714)	(5,183)	(3,942,898)			(3,942,898)	(5,183)
211	282020	282	Palo Verde Licensing Amortization	R			(801,360)		(801,360)			(801,360)	
212	282021	282	ASSET RETIREMENT OBLIGATION	m			19,672,862		19,672,862			19,672,862	
213	282022	282	ASSET RETIREMENT OBLIGATION	m			4,229,087		4,229,087			4,229,087	
214	282025	282	Pre-1981 Repair Allowance	R			(18,190,422)		(18,190,422)			(18,190,422)	
215	282026	282	Pre-1981 Repair Allowance	R			(3,948,000)		(3,948,000)			(3,948,000)	
216	282031	282	Liberalized Depreciation - Other	R			1,768,180		1,768,180			1,768,180	
217	282032	282	Liberalized Depreciation - Other	R			382,741		382,741			382,741	
218	282033	282	FAS 109	x			(32,781,249)		(32,781,249)			(32,781,249)	
219	282034	282	FAS 109	x			(4,343,328)		(4,343,328)			(4,343,328)	
220	282050	282	Zero Balance	Z			-		-			-	
221	282051	282	Zero Balance	Z			-		-			-	
222	282052	282	ASSET RETIREMENT OBLIGATION	M	(458,111)		16,358,711		16,358,711			16,358,711	
223	282053	282	ASSET RETIREMENT OBLIGATION	M			5,186,760		5,186,760			5,186,760	
224	282185	282	Liberalized Depreciation - Other	R			(247,590)	(495,180)	(495,180)			(247,590)	(742,770)
225	282186	282	Liberalized Depreciation - Other	R			184,336	368,672	368,672			88,598	457,269
226	282187	282	Zero Balance	Z			-		-			-	
227	282188	282	Zero Balance	Z			-		-			-	
228	282189	282	Zero Balance	Z			-		-			-	
229	282190	282	Zero Balance	Z			-		-			-	
230	282191	282	Zero Balance	Z			-		-			-	
231	282192	282	Zero Balance	Z			-		-			-	
232	282193	282	Zero Balance	Z			-		-			-	
233	282194	282	Zero Balance	Z			-		-			-	
234	282195	282	Zero Balance	Z			-		-			-	
235	282196	282	Zero Balance	Z			-		-			-	

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236	282197	282	Zero Balance	Z			-		-			-	
237	282198	282	Zero Balance	Z			-		-			-	
238	282201	282	Zero Balance	Z			-		-			-	
239	282202	282	Zero Balance	Z			-		-			-	
240	282203	282	ASSET RETIREMENT OBLIGATION	m			224,672		224,672			224,672	
241	282204	282	ASSET RETIREMENT OBLIGATION	m			48,762		48,762			48,762	
242	282243	282	Zero Balance	Z			-		-			-	
243	282244	282	Zero Balance	Z			-		-			-	
244	282267	282	AFTON WRITEDOWN	R			6,503,263		6,503,263			6,503,263	
245	282268	282	AFTON WRITEDOWN	R			1,411,449		1,411,449			1,411,449	
246	282304	282	Nuclear Fuel Amortization PV 1&2	R			-		-			-	
247	282305	282	Nuclear Fuel Amortization PV 1&2	R			-		-			-	
248	282306	282	Zero Balance	Z			-		-			-	
249	282307	282	Zero Balance	Z			-		-			-	
250	282308	282	Zero Balance	Z			-		-			-	
251	282309	282	Zero Balance	Z			-		-			-	
252	282310	282	Zero Balance	Z			-		-			-	
253	282311	282	Zero Balance	Z			-		-			-	
254	282312	282	Zero Balance	Z			-		-			-	
255	282313	282	Zero Balance	Z			-		-			-	
256	282314	282	Zero Balance	Z			-		-			-	
257	282315	282	Zero Balance	Z			-		-			-	
258	282318	282	Zero Balance	Z			-		-			-	
259	282319	282	Zero Balance	Z			-		-			-	
260	282320	282	Liberalized Depreciation - Other	R			(127,043,289)	(392,000)	(127,435,289)			(127,435,289)	(390,200)
261	282321	282	Liberalized Depreciation - Other	R			(25,223,043)		(25,223,043)			(25,223,043)	
262	282322	282	ALVARADO SQUARE ABANDONMENT	m	-		(1,237,351)		(1,237,351)			(1,237,351)	
263	282323	282	ALVARADO SQUARE ABANDONMENT	m			(280,920)		(280,920)			(280,920)	
264	282386	282	Zero Balance	Z			-		-			-	
265	282387	282	Zero Balance	Z			-		-			-	
266	282500	282	Zero Balance	Z			-		-			-	
267	283001	283	BONUS ACCRUAL	X			(575,272)		(575,272)			(575,272)	
268	283002	283	BONUS ACCRUAL	X			(124,855)		(124,855)			(124,855)	
269	283004	283	Zero Balance	Z			-		-			-	
270	283005	283	Zero Balance	Z			-		-			-	
271	283008	283	Zero Balance	Z			-		-			-	
272	283009	283	Zero Balance	Z			-		-			-	
273	283010	283	LOSS ON REACQUIRED DEBT	M			(3,271,767)		(3,271,767)			(3,271,767)	
274	283013	283	LOSS ON REACQUIRED DEBT	M			(686,848)		(686,848)			(686,848)	
275	283019	283	GAIN REACQUIRED DEBT	X			(174,832)		(174,832)			(174,832)	
276	283020	283	GAIN REACQUIRED DEBT	X			(37,942)		(37,942)			(37,942)	
277	283023	283	Pension Qualified	m			(740,908)		(740,908)			(740,908)	
278	283024	283	Pension Qualified	m			(160,794)		(160,794)			(160,794)	
279	283034	283	RATE CASE EXPENSE	M			(598,150)		(598,150)			(598,150)	
280	283035	283	RATE CASE EXPENSE	M			(126,895)		(126,895)			(126,895)	

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9	M=Included in base period rate base at MDC value												
10	Doc Ref	acct	sum	Rate Code	Linkage	09/30/15	2015Q4	12/31/15			12/31/15	2016Q1	
					MDCs	Adj.s 15Q3	Adj. Bal 15Q3	Activity 15Q4	Bal 15Q4	Depr Alloc 15Q4	Adj.s 15Q4	Adj. Bal 15Q4	Activity 16Q1
281	283144	283	FAS 109	X			(16,947,914)		(16,947,914)			(16,947,914)	
282	283145	283	FAS 109	X			(2,955,663)		(2,955,663)			(2,955,663)	
283	283154	283	ASSET RETIREMENT OBLIGATION	m			(20,377,059)		(20,377,059)			(20,377,059)	
284	283155	283	ASSET RETIREMENT OBLIGATION	m			(4,400,886)		(4,400,886)			(4,400,886)	
285	283156	283	COMPENSATION EXPENSE	x			(6,080)		(6,080)			(6,080)	
286	283157	283	COMPENSATION EXPENSE	x			(1,320)		(1,320)			(1,320)	
287	283158	283	PVNGS DECOMM NON UTILITY	N			(14,917,602)		(14,917,602)			(14,917,602)	
288	283159	283	PVNGS DECOMM NON UTILITY	N			(3,049,264)		(3,049,264)			(3,049,264)	
289	283160	283	FAS 115	X			(1,163,510)		(1,163,510)			(1,163,510)	
290	283161	283	FAS 115	X			231,489		231,489			231,489	
291	283162	283	MARK TO MARKET	x			38,497,248		38,497,248			38,497,248	
292	283163	283	MARK TO MARKET	x			4,103,832		4,103,832			4,103,832	
293	283164	283	Zero Balance	Z			-		-			-	
294	283165	283	Zero Balance	Z			-		-			-	
295	283166	283	Zero Balance	Z			-		-			-	
296	283167	283	Zero Balance	Z			-		-			-	
297	283168	283	UNREALIZED GAIN ON ENERGY TRADING	X			(1,518,967)		(1,518,967)			(1,518,967)	
298	283169	283	UNREALIZED GAIN ON ENERGY TRADING	X			(322,765)		(322,765)			(322,765)	
299	283170	283	Zero Balance	Z			-		-			-	
300	283171	283	Zero Balance	Z			-		-			-	
301	283174	283	HEDGE LOSS	N			395,030		395,030			395,030	
302	283175	283	HEDGE LOSS	N			62,030		62,030			62,030	
303	283180	283	ACCURED ILLNESS	X			248,655		248,655			248,655	
304	283181	283	ACCURED ILLNESS	X			53,972		53,972			53,972	
305	283182	283	BOOK CAPITALIZED INTEREST	R			(6,129,891)		(6,129,891)			(6,129,891)	
306	283183	283	BOOK CAPITALIZED INTEREST	R			(1,327,468)		(1,327,468)			(1,327,468)	
307	283185	283	Zero Balance	Z			-		-			-	
308	283186	283	Zero Balance	Z			-		-			-	
309	283187	283	ASSET RETIREMENT OBLIGATION	m			(20,042,441)		(20,042,441)			(20,042,441)	
310	283188	283	ASSET RETIREMENT OBLIGATION	m			(4,349,953)		(4,349,953)			(4,349,953)	
311	283189	283	Zero Balance	Z			-		-			-	
312	283190	283	Zero Balance	Z			-		-			-	
313	283191	283	Coal Mine Decommissioning	M			(11,723,858)		(11,723,858)			(11,723,858)	
314	283192	283	Coal Mine Decommissioning	M			(2,544,512)		(2,544,512)			(2,544,512)	
315	283193	283	PREPAID EXPENSES	R			(3,137,587)		(3,137,587)			(3,137,587)	
316	283194	283	PREPAID EXPENSES	R			(680,016)		(680,016)			(680,016)	
317	283201	283	PCB REFINANCING	m	165,511		(7,849,383)		(7,849,383)			(7,849,383)	
318	283202	283	PCB REFINANCING	m			(1,219,702)		(1,219,702)			(1,219,702)	
319	283203	283	SUN REFINANCING	x			1,447,171		1,447,171			1,447,171	
320	283204	283	SUN REFINANCING	x			327,672		327,672			327,672	
321	283205	283	Zero Balance	Z			-		-			-	
322	283206	283	Zero Balance	Z			-		-			-	
323	283207	283	DEBT ISSUANCE COST	X			(16,393)		(16,393)			(16,393)	
324	283208	283	DEBT ISSUANCE COST	X			(3,756)		(3,756)			(3,756)	
325	283210	283	LOSS ON REACQUIRED DEBT	M	75,655		784,646		784,646			784,646	

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9	M=Included in base period rate base at MDC value												
10	Doc Ref	acct	sum	Rate Code	MDCs	Adj.s 15Q3	Adj. Bal 15Q3	Activity 15Q4	Bal 15Q4	Depr Alloc 15Q4	Adj.s 15Q4	Adj. Bal 15Q4	Activity 16Q1
326	283213	283	LOSS ON REACQUIRED DEBT	M			(38,571)		(38,571)			(38,571)	
327	283215	283	SUN REFINANCING	X			(1,704,127)		(1,704,127)			(1,704,127)	
328	283216	283	SUN REFINANCING	X			(369,858)		(369,858)			(369,858)	
329	283217	283	SUN REFINANCING	X			(107,370)		(107,370)			(107,370)	
330	283218	283	SUN REFINANCING	X			(26,532)		(26,532)			(26,532)	
331	283223	283	STATE AND LOCAL TAX RESERVE	X			48,312		48,312			48,312	
332	283224	283	STATE AND LOCAL TAX RESERVE	X			10,485		10,485			10,485	
333	283225	283	Zero Balance	z			-		-			-	
334	283226	283	Zero Balance	z			-		-			-	
335	283231	283	PCB REFINANCING	m			871,951		871,951			871,951	
336	283232	283	PCB REFINANCING	m			188,638		188,638			188,638	
337	283233	283	PCB REFINANCING	m			1,396,404		1,396,404			1,396,404	
338	283234	283	PCB REFINANCING	m			303,072		303,072			303,072	
339	283235	283	SUN REFINANCING	x			(1,369,413)		(1,369,413)			(1,369,413)	
340	283236	283	SUN REFINANCING	x			(297,213)		(297,213)			(297,213)	
341	283240	283	SO2 ALLOWANCE CREDITS	x			1		1			1	
342	283241	283	SO2 ALLOWANCE CREDITS	x			-		-			-	
343	283275	283	BAD DEBT ALLOWANCE	X			10,084		10,084			10,084	
344	283276	283	BAD DEBT ALLOWANCE	X			2,189		2,189			2,189	
345	283296	283	PV INCENTIVE PROGRAM	x			325,909		325,909			325,909	
346	283297	283	PV INCENTIVE PROGRAM	x			52,131		52,131			52,131	
347	283298	283	BIOMASS	x			(76,295)		(76,295)			(76,295)	
348	283299	283	BIOMASS	x			(16,559)		(16,559)			(16,559)	
349	283300	283	RENEWABLE ENERGY CERTIFICATES	x			(557,949)		(557,949)			(557,949)	
350	283301	283	RENEWABLE ENERGY CERTIFICATES	x			(153,981)		(153,981)			(153,981)	
351	283317	283	RATE CASE EXPENSE	M	(1,207,854)		(834,101)		(834,101)			(834,101)	
352	283318	283	RATE CASE EXPENSE	M		(23,948)		(23,948)			(23,948)		
353	283325	283	Zero Balance	z			-		-			-	
354	283326	283	Zero Balance	z			-		-			-	
355	283351	283	BONUS ACCRUAL	X			3,061,076		3,061,076			3,061,076	
356	283362	283	BONUS ACCRUAL	X			664,357		664,357			664,357	
357	283363	283	BONUS ACCRUAL	X			(3,061,077)		(3,061,077)			(3,061,077)	
358	283364	283	BONUS ACCRUAL	X			(664,362)		(664,362)			(664,362)	
359	283367	283	FIN 48 INTEREST	X			(2,197,755)		(2,197,755)			(2,197,755)	
360	283368	283	FIN 48 INTEREST	X			(476,995)		(476,995)			(476,995)	
361	283369	283	RATE CASE EXPENSE	M			-		-			-	
362	283370	283	RATE CASE EXPENSE	M			-		-			-	
363	283382	283	Zero Balance	z			-		-			-	
364	283383	283	Zero Balance	z			-		-			-	
365	283386	283	FIN 48 INTEREST	X			960,426		960,426			960,426	
366	283387	283	FIN 48 INTEREST	X			207,108		207,108			207,108	
367	283388	283	PVNGS #2 CARRYING COSTS	x			-		-			-	
368	283389	283	PVNGS #2 CARRYING COSTS	x			-		-			-	
369	283390	283	RENEWABLE ENERGY EXPENSES	m			-		-			-	
370	283391	283	RENEWABLE ENERGY EXPENSES	m			-		-			-	

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9	M=Included in base period rate base at MDC value				Linkage		09/30/15	2015Q4	12/31/15			12/31/15	2016Q1
10	Doc Ref	acct	sum	Rate Code	MDCs	Adj.s 15Q3	Adj. Bal 15Q3	Activity 15Q4	Bal 15Q4	Depr Alloc 15Q4	Adj.s 15Q4	Adj. Bal 15Q4	Activity 16Q1
416			283162										
417			283163										
418			283900										
419													
420	Total G/L ADIT balance		-		-	-	-	-	-	-	-	-	-
421	Difference		(762,444)		(146,992)	(695,674,900)	(6,273,982)	(701,948,881)		(242,730)	(702,191,612)		2,396,200
422	Reconciling Items												
423	Corp alloc of depr ADIT		-		-	(8,286,278)	6,453	(8,279,825)		-	-	(8,279,825)	922,179
424	Corp alloc of NOL ADIT		-		-	985,918	(768)	985,150		-	-	985,150	(109,723)
425	Fin 4B reclasses												
426	Total Reconciling Items		-		-	(7,200,361)	5,685	(7,294,676)		-	-	(7,294,676)	812,456
427	ULD		(762,444)		(146,992)	(688,374,539)	(6,279,667)	(694,654,206)		(242,730)	(694,896,936)		1,583,743
428													
429	NON-UTILITY	N	-		-	(12,323,944)	-	(12,323,944)		-	-	(12,323,944)	-
430	Underlying acct not in rate base	X	-		-	69,984,529	-	69,984,529		-	-	69,984,529	-
431	Zero adjusted balance	Z	-		-	-	-	-	-	-	-	-	-
432	Renewable Rider	RR	(38,032)		(500,975)	(8,082,367)	(289,458)	(8,371,826)		(37,848,572)	(46,220,397)		441,283
433	Included in base period rate base at MDC value	M	(724,412)		-	(73,229,732)	-	(73,229,732)		-	-	(73,229,732)	-
434	Included in base period rate base at book value	R	-		353,983	(672,023,386)	(5,984,528)	(678,007,909)		37,605,841	(640,402,068)		1,954,917
435													
436	Total		(762,444)		(146,992)	(695,674,900)	(6,273,982)	(701,948,881)		(242,730)	(702,191,612)		2,396,200
437	ULD		-		-	-	-	-	-	-	-	-	-
438													

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7	R=Included in base period rate base at book value												
8	RR=Renewable Rider												
9	M=Included in base period rate base at MDC value				03/31/16			03/31/16	2016Q2	06/30/16			06/30/16
10	Doc Ref	acct	sum	Rate Code	Bal 16Q1	Depr Alloc 16Q1	Adj.s 16Q1	Adj. Bal 16Q1	Activity 16Q2	Bal 16Q2	Depr Alloc 16Q2	Adj.s 16Q2	Adj. Bal 16Q2
11	190000	190	MISC NON OPERATING	N	525,214			525,214		525,214			525,214
12	1900003	190	Zero Balance	Z	-			-		-			-
13	1900004	190	Zero Balance	Z	-			-		-			-
14	1900001	190	TRI STATE RIGHT OF WAY	X	108,238			108,238		108,238			108,238
15	1900002	190	TRI STATE RIGHT OF WAY	X	(116,156)			(116,156)		(116,156)			(116,156)
16	190004	190	ALVARADO SQUARE	X	383,930			383,930		383,930			383,930
17	190005	190	ALVARADO SQUARE	X	83,323			83,323		83,323			83,323
18	190009	190	WAGES	X	273,987			273,987		273,987			273,987
19	190010	190	WAGES	X	60,822			60,822		60,822			60,822
20	190015	190	Pension Qualified	M	(51,968,799)			(51,968,799)		(51,968,799)			(51,968,799)
21	190016	190	Pension Qualified	M	(18,416,613)			(18,416,613)		(18,416,613)			(18,416,613)
22	190019	190	Deferred Federal Tax Credits	r	105,491			105,491	(105,491)	-			-
23	190023	190	ACCURED VACATION	X	2,037,200			2,037,200		2,037,200			2,037,200
24	190024	190	ACCURRED VACATION	X	442,098			442,098		442,098			442,098
25	190027	190	Zero Balance	z	-			-		-			-
26	190028	190	Zero Balance	z	-			-		-			-
27	190035	190	Eastern Interconnect Project Gain	m	(26,320)			(26,320)		(26,320)			(26,320)
28	190036	190	Eastern Interconnect Project Gain	m	26,320			26,320		26,320			26,320
29	190039	190	Palo Verde Prudence Audit 1 & 2	M	158,796			158,796		158,796			158,796
30	190040	190	Palo Verde Prudence Audit 1 & 2	M	(149,568)			(149,568)		(149,568)			(149,568)
31	190046	190	Contributions In Aid of Construction	R	27,749,739			27,749,739		27,749,739			27,749,739
32	190047	190	Contributions In Aid of Construction	R	6,008,212			6,008,212		6,008,212			6,008,212
33	190048	190	TAX CAPITALIZED INTEREST	R	19,097,437			19,097,437		19,097,437			19,097,437
34	190049	190	TAX CAPITALIZED INTEREST	R	3,051,461			3,051,461		3,051,461			3,051,461
35	190050	190	GAS PLANT DECOMM S FE	N	(136,544)			(136,544)		(136,544)			(136,544)
36	190051	190	GAS PLANT DECOMM S FE	N	(29,549)			(29,549)		(29,549)			(29,549)
37	190052	190	ASSET RETIREMENT OBLIGATION	m	(5,498,181)			(5,498,181)		(5,498,181)			(5,498,181)
38	190053	190	ASSET RETIREMENT OBLIGATION	m	(1,136,933)			(1,136,933)		(1,136,933)			(1,136,933)
39	190054	190	Zero Balance	z	-			-		-			-
40	190055	190	Zero Balance	z	-			-		-			-
41	190056	190	Palo Verde Construction Credits 1 & 2	M	127,164			127,164		127,164			127,164
42	190057	190	Palo Verde Construction Credits 1 & 2	M	20,869			20,869		20,869			20,869
43	190084	190	GENERAL RESERVE	X	824,369			824,369		824,369			824,369
44	190085	190	GENERAL RESERVE	X	178,596			178,596		178,596			178,596
45	190086	190	PCB REFINANCING	m	32,615			32,615		32,615			32,615
46	190087	190	PCB REFINANCING	m	7,078			7,078		7,078			7,078
47	190088	190	COMPENSATION EXPENSE	X	(3,115,998)			(3,115,998)		(3,115,998)			(3,115,998)
48	190089	190	COMPENSATION EXPENSE	X	(658,653)			(658,653)		(658,653)			(658,653)
49	190115	190	OTHER LEGAL ACCRUALS	X	439,340			439,340		439,340			439,340
50	190116	190	OTHER LEGAL ACCRUALS	X	95,354			95,354		95,354			95,354
51	190128	190	NINE MILE TAP	N	20,990			20,990		20,990			20,990
52	190129	190	NINE MILE TAP	N	4,880			4,880		4,880			4,880
53	190140	190	PVNGS DECOMM NON UTILITY	N	484,816			484,816		484,816			484,816
54	190141	190	PVNGS DECOMM NON UTILITY	N	108,318			108,318		108,318			108,318
55	190142	190	Palo Verde Gain 1 & 2	M	91,318			91,318		91,318			91,318

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9	M=Included in base period rate base at MDC value				03/31/16			03/31/16	2016Q2	06/30/16			06/30/16
10	Doc Ref	acct	sum	Rate Code	Bal 16Q1	Depr Alloc 16Q1	Adj.s 16Q1	Adj. Bal 16Q1	Activity 16Q2	Bal 16Q2	Depr Alloc 16Q2	Adj.s 16Q2	Adj. Bal 16Q2
56	190143	190	Palo Verde Gain 1 & 2	M	97,374			97,374		97,374			97,374
57	190146	190	Deferred Federal Tax Credits	R	8,369,225			8,369,225		8,369,225			8,369,225
58	190147	190	Zero Balance	Z	-			-		-			-
59	190148	190	Zero Balance	Z	-			-		-			-
60	190151	190	OTHER POST EMPLOYMENT BENEFITS	x	(2,682,275)			(2,682,275)		(2,682,275)			(2,682,275)
61	190152	190	OTHER POST EMPLOYMENT BENEFITS	x	(562,853)			(562,853)		(562,853)			(562,853)
62	190161	190	PENSION VALUATION ALLOWANCE	x	67,196,635			67,196,635		67,196,635			67,196,635
63	190162	190	PENSION VALUATION ALLOWANCE	x	(63,293,556)			(63,293,556)		(63,293,556)			(63,293,556)
64	190163	190	REGULATORY RESERVE	X	(4,879)			(4,879)		(4,879)			(4,879)
65	190164	190	REGULATORY RESERVE	X	(1,059)			(1,059)		(1,059)			(1,059)
66	190165	190	ENVIRONMENTAL LIABILITY	X	4,619			4,619		4,619			4,619
67	190166	190	ENVIRONMENTAL LIABILITY	X	1,003			1,003		1,003			1,003
68	190169	190	FAS 109	X	29,867,170			29,867,170		29,867,170			29,867,170
69	190170	190	FAS 109	X	42,025,472			42,025,472		42,025,472			42,025,472
70	190175	190	WORKERS COMP	x	936,724			936,724		936,724			936,724
71	190176	190	WORKERS COMP	x	206,647			206,647		206,647			206,647
72	190177	190	SELF INSURANCE	x	200,885			200,885		200,885			200,885
73	190178	190	SELF INSURANCE	x	44,307			44,307		44,307			44,307
74	190187	190	ASSET RETIREMENT OBLIGATION	m	13,004,738			13,004,738		13,004,738			13,004,738
75	190188	190	ASSET RETIREMENT OBLIGATION	m	2,822,511			2,822,511		2,822,511			2,822,511
76	190191	190	SELF INSURANCE	X	8,837			8,837		8,837			8,837
77	190192	190	SELF INSURANCE	X	1,912			1,912		1,912			1,912
78	190193	190	Zero Balance	Z	-			-		-			-
79	190194	190	Zero Balance	Z	-			-		-			-
80	190195	190	Zero Balance	Z	1			1		1			1
81	190196	190	Zero Balance	Z	(1)			(1)		(1)			(1)
82	190201	190	Palo Verde Dry Cask Storage 1 & 2	M	(872,996)			(872,996)		(872,996)			(872,996)
83	190202	190	Palo Verde Dry Cask Storage 1 & 2	M	872,996			872,996		872,996			872,996
84	190205	190	LINE EXTENSION POLICY	R	786,444			786,444		786,444			786,444
85	190206	190	LINE EXTENSION POLICY	R	170,687			170,687		170,687			170,687
86	190209	190	Zero Balance	Z	-			-		-			-
87	190210	190	Zero Balance	Z	-			-		-			-
88	190215	190	OTHER LEGAL ACCRUALS	X	(963,433)			(963,433)		(963,433)			(963,433)
89	190216	190	OTHER LEGAL ACCRUALS	X	(209,024)			(209,024)		(209,024)			(209,024)
90	190217	190	HI VOLTAGE RESERVE	X	2,042,548			2,042,548		2,042,548			2,042,548
91	190218	190	HI VOLTAGE RESERVE	X	443,309			443,309		443,309			443,309
92	190219	190	STATE AND LOCAL TAX RESERVE	X	-			-		-			-
93	190220	190	STATE AND LOCAL TAX RESERVE	X	-			-		-			-
94	190223	190	Zero Balance	Z	-			-		-			-
95	190224	190	Zero Balance	Z	-			-		-			-
96	190225	190	Zero Balance	Z	-			-		-			-
97	190226	190	Zero Balance	Z	-			-		-			-
98	190229	190	Coal Mine Decommissioning	M	8,329,990			8,329,990		8,329,990			8,329,990
99	190230	190	Coal Mine Decommissioning	M	2,760,918			2,760,918		2,760,918			2,760,918
100	190233	190	Zero Balance	Z	-			-		-			-

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10	Doc Ref	acct	sum	Rate Code	Bal 16Q1	Depr Alloc 16Q1	Adj.s 16Q1	Adj. Bal 16Q1	Activity 16Q2	Bal 16Q2	Depr Alloc 16Q2	Adj.s 16Q2	Adj. Bal 16Q2
101	190234	190	Zero Balance	Z	-			-		-			-
102	190235	190	Coal Mine Decommissioning	M	(193,067)			(193,067)		(193,067)			(193,067)
103	190236	190	Coal Mine Decommissioning	M	(41,903)			(41,903)		(41,903)			(41,903)
104	190252	190	BAD DEBT ALLOWANCE	X	(60,113)			(60,113)		(60,113)			(60,113)
105	190253	190	BAD DEBT ALLOWANCE	X	(6,733)			(6,733)		(6,733)			(6,733)
106	190284	190	Contributions In Aid of Construction	r	1,102,350			1,102,350		1,102,350			1,102,350
107	190285	190	Contributions In Aid of Construction	r	239,251			239,251		239,251			239,251
108	190287	190	BIOMASS	x	(27,508)			(27,508)		(27,508)			(27,508)
109	190288	190	BIOMASS	x	16,561			16,561		16,561			16,561
110	190291	190	PREPAID RENT REVENUE	X	(1,128)			(1,128)		(1,128)			(1,128)
111	190292	190	PREPAID RENT REVENUE	X	(47)			(47)		(47)			(47)
112	190293	190	REVENUE SUBJECT TO REFUND	x	309,382			309,382		309,382			309,382
113	190294	190	REVENUE SUBJECT TO REFUND	x	65,654			65,654		65,654			65,654
114	190310	190	Net Operating Loss (NOL)	R	81,959,016			81,959,016	(3,764,316)	78,194,700			78,194,700
115	190311	190	Net Operating Loss (NOL)	R	38,816,628			38,816,628		38,816,628			38,816,628
116	190312	190	Zero Balance	z	-			-		-			-
117	190313	190	Zero Balance	z	-			-		-			-
118	190343	190	Zero Balance	z	-			-		-			-
119	190344	190	Zero Balance	z	-			-		-			-
120	190345	190	SIGS GROUNDWATER RESERVE	X	97,073			97,073		97,073			97,073
121	190346	190	SIGS GROUNDWATER RESERVE	X	20,626			20,626		20,626			20,626
122	190347	190	Zero Balance	z	-			-		-			-
123	190348	190	Zero Balance	z	-			-		-			-
124	190349	190	Zero Balance	z	-			-		-			-
125	190350	190	Zero Balance	z	-			-		-			-
126	190358	190	INJURY & DAMAGES	M	1,421,439			1,421,439		1,421,439			1,421,439
127	190359	190	INJURY & DAMAGES	M	3,186			3,186		3,186			3,186
128	190360	190	INJURY & DAMAGES	M	903,660			903,660		903,660			903,660
129	190361	190	INJURY & DAMAGES	M	196,839			196,839		196,839			196,839
130	190362	190	INJURY & DAMAGES	M	(3)			(3)		(3)			(3)
131	190363	190	INJURY & DAMAGES	M	2			2		2			2
132	190364	190	INJURY & DAMAGES	M	608,962			608,962		608,962			608,962
133	190365	190	INJURY & DAMAGES	M	132,177			132,177		132,177			132,177
134	190366	190	ROW RESERVE	X	238,922			238,922		238,922			238,922
135	190367	190	ROW RESERVE	X	51,854			51,854		51,854			51,854
136	190369	190	FEDERAL TAX CORRECTION	N	40,597			40,597		40,597			40,597
137	190370	190	FEDERAL TAX CORRECTION	N	(100,534)			(100,534)		(100,534)			(100,534)
138	190381	190	ROW RESERVE	X	(270,120)			(270,120)		(270,120)			(270,120)
139	190382	190	ROW RESERVE	X	(58,488)			(58,488)		(58,488)			(58,488)
140	190383	190	Zero Balance	Z	-			-		-			-
141	190384	190	Zero Balance	Z	-			-		-			-
142	190385	190	Palo Verde Construction Credits 1 & 2	m	(46,240)			(46,240)		(46,240)			(46,240)
143	190386	190	Palo Verde Construction Credits 1 & 2	m	(10,036)			(10,036)		(10,036)			(10,036)
144	190389	190	PROPERTY TAX RESERVE	X	52,203			52,203		52,203			52,203
145	190390	190	PROPERTY TAX RESERVE	X	11,331			11,331		11,331			11,331

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10	Doc Ref	acct	sum	Rate Code	Bal 16Q1	Depr Alloc 16Q1	Adj.s 16Q1	Adj. Bal 16Q1	Activity 16Q2	Bal 16Q2	Depr Alloc 16Q2	Adj.s 16Q2	Adj. Bal 16Q2
146	190395	190	Zero Balance	Z	-			-		-			-
147	190396	190	Zero Balance	Z	-			-		-			-
148	190399	190	Zero Balance	z	-			-		-			-
149	190400	190	Zero Balance	z	-			-		-			-
150	190401	190	RATE RIDER	x	(302,939)			(302,939)		(302,939)			(302,939)
151	190402	190	RATE RIDER	x	(65,832)			(65,832)		(65,832)			(65,832)
152	190403	190	RENEWABLE CREDITS	x	27,564,601			27,564,601		27,564,601			27,564,601
153	190404	190	INCENTIVE PAY PLANS	x	2,282,705			2,282,705		2,282,705			2,282,705
154	190405	190	INCENTIVE PAY PLANS	x	495,211			495,211		495,211			495,211
155	190406	190	ENERGY EFFICIENCY	x	1,175,767			1,175,767		1,175,767			1,175,767
156	190407	190	ENERGY EFFICIENCY	x	255,185			255,185		255,185			255,185
157	190413	190	NM SOLAR ENERGY CENTER	x	98,351			98,351		98,351			98,351
158	190414	190	NM SOLAR ENERGY CENTER	x	20,743			20,743		20,743			20,743
159	190415	190	DOE SPENT FUEL SETTLEMENT	m	(183,272)			(183,272)		(183,272)			(183,272)
160	190416	190	DOE SPENT FUEL SETTLEMENT	m	199,002			199,002		199,002			199,002
161	190419	190	SIERRA CLUB	x	-			-		-			-
162	190420	190	SIERRA CLUB	x	-			-		-			-
163	190421	190	LVGS Decommissioning	m	394,659			394,659		394,659			394,659
164	190422	190	LVGS Decommissioning	m	76,771			76,771		76,771			76,771
165	190423	190	EXTENDED LEAVE	x	23,412			23,412		23,412			23,412
166	190424	190	EXTENDED LEAVE	x	5,169			5,169		5,169			5,169
167	190425	190	Coal Mine Decommissioning	M	(95,748)			(95,748)		(95,748)			(95,748)
168	190426	190	Coal Mine Decommissioning	M	(20,010)			(20,010)		(20,010)			(20,010)
169	190429	190	EFFECT OF NM TAX RATE	x	427,857			427,857		427,857			427,857
170	190430	190	EFFECT OF NM TAX RATE	x	72,124			72,124		72,124			72,124
171	190431	190	Renewable NM AETC	RR	1,256,906			1,256,906		1,256,906			1,256,906
172	190432	190	Renewable NM AETC	RR	285,710			285,710		285,710			285,710
173	190433	190	NAVAJO WORKFORCE TRAINING	x	194,992			194,992		194,992			194,992
174	190434	190	NAVAJO WORKFORCE TRAINING	x	42,880			42,880		42,880			42,880
175	190435	190	SIGS AUDIT RESERVES	x	11,353			11,353		11,353			11,353
176	190436	190	SIGS AUDIT RESERVES	x	5,614			5,614		5,614			5,614
177	190437	190	SI RECLAMATION TRUST	x	97,626			97,626		97,626			97,626
178	190438	190	SI RECLAMATION TRUST	x	20,769			20,769		20,769			20,769
179	190441	190	Net Operating Loss (NOL)	R	1,509,523			1,509,523		1,509,523			1,509,523
180	190442	190	Net Operating Loss (NOL)	R	(4,312,920)			(4,312,920)		(4,312,920)			(4,312,920)
181	190443	190	FOUR CORNERS SURTAX SETTLEMENT	x	153,640			153,640		153,640			153,640
182	190444	190	FOUR CORNERS SURTAX SETTLEMENT	x	32,028			32,028		32,028			32,028
183	190445	190	DOE SPENT FUEL SETTLEMENT	m	637,833			637,833		637,833			637,833
184	190446	190	DOE SPENT FUEL SETTLEMENT	m	132,963			132,963		132,963			132,963
185	190447	190	DOE SPENT FUEL SETTLEMENT	m	1,182,507			1,182,507		1,182,507			1,182,507
186	190448	190	DOE SPENT FUEL SETTLEMENT	m	246,507			246,507		246,507			246,507
187	190900	190	Zero Balance	z	-			-		-			-
188	281000	281	Pollution Control Facilities 4 Corners	R	(620,700)		(49,673)	(670,373)		(670,373)		(49,673)	(720,046)
189	281001	281	Pollution Control Facilities 4 Corners	R	(69,473)			(69,473)		(69,473)			(69,473)
190	281003	281	FAS 109	X	(3,479,713)			(3,479,713)		(3,479,713)			(3,479,713)

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10	Doc Ref	acct	sum	Rate Code	Bal 16Q1	Depr Alloc 16Q1	Adj.s 16Q1	Adj. Bal 16Q1	Activity 16Q2	Bal 16Q2	Depr Alloc 16Q2	Adj.s 16Q2	Adj. Bal 16Q2
191	281004	281	FAS 109	X	(747,462)			(747,462)		(747,462)			(747,462)
192	282000	282	LIBERALIZED DEPRECIATION NONOP	N	3,458,183			3,458,183		3,458,183			3,458,183
193	282001	282	LIBERALIZED DEPRECIATION NONOP	N	809,491			809,491		809,491			809,491
194	282003	282	Liberalized Depreciation - Other	R	269,956,446			269,956,446	821,899	270,778,345			270,778,345
195	282004	282	Liberalized Depreciation - Other	R	(90,409,678)			(90,409,678)		(90,409,678)			(90,409,678)
196	282005	282	FERC Customer Depreciation	R	1,001,102		6,565	1,007,667		1,007,667		6,565	1,014,233
197	282006	282	FERC Customer Depreciation	R	290,053			290,053		290,053			290,053
198	282007	282	Palo Verde Start-Up Amortization	R	263,465			263,465		263,465			263,465
199	282008	282	Palo Verde Start-Up Amortization	R	(13,439)			(13,439)		(13,439)			(13,439)
200	282009	282	Nuclear Fuel Amortization PV 1&2	R	-			-		-			-
201	282010	282	Nuclear Fuel Amortization PV 1&2	R	-			-		-			-
202	282011	282	Liberalized Depreciation - PV 3	R	(60,311,449)			(60,311,449)	169,753	(60,141,696)			(60,141,696)
203	282012	282	Liberalized Depreciation - PV 3	R	(7,988,868)			(7,988,868)		(7,988,868)			(7,988,868)
204	282013	282	Liberalized Depreciation - Other	R	(14,540,297)			(33,396)	(14,573,693)	(14,573,693)		(33,396)	(14,607,088)
205	282014	282	Liberalized Depreciation - Other	R	(1,847,932)			(1,847,932)		(1,847,932)			(1,847,932)
206	282015	282	Zero Balance	Z	-			-		-			-
207	282016	282	Zero Balance	Z	-			-		-			-
208	282017	282	Debt AFUDC	R	(22,948,328)			(22,948,328)	(824,754)	(23,773,083)			(23,773,083)
209	282018	282	Debt AFUDC	R	(3,590,106)			(3,590,106)		(3,590,106)			(3,590,106)
210	282019	282	Palo Verde Licensing Amortization	R	(3,948,081)			(3,948,081)	(5,183)	(3,953,265)			(3,953,265)
211	282020	282	Palo Verde Licensing Amortization	R	(801,360)			(801,360)		(801,360)			(801,360)
212	282021	282	ASSET RETIREMENT OBLIGATION	m	19,672,862			19,672,862		19,672,862			19,672,862
213	282022	282	ASSET RETIREMENT OBLIGATION	m	4,229,087			4,229,087		4,229,087			4,229,087
214	282025	282	Pre-1981 Repair Allowance	R	(18,190,422)			(18,190,422)		(18,190,422)			(18,190,422)
215	282026	282	Pre-1981 Repair Allowance	R	(3,948,000)			(3,948,000)		(3,948,000)			(3,948,000)
216	282031	282	Liberalized Depreciation - Other	R	1,768,180			1,768,180		1,768,180			1,768,180
217	282032	282	Liberalized Depreciation - Other	R	382,741			382,741		382,741			382,741
218	282033	282	FAS 109	X	(32,781,249)			(32,781,249)		(32,781,249)			(32,781,249)
219	282034	282	FAS 109	X	(4,343,328)			(4,343,328)		(4,343,328)			(4,343,328)
220	282050	282	Zero Balance	Z	-			-		-			-
221	282051	282	Zero Balance	Z	-			-		-			-
222	282052	282	ASSET RETIREMENT OBLIGATION	M	16,358,711			16,358,711		16,358,711			16,358,711
223	282053	282	ASSET RETIREMENT OBLIGATION	M	5,186,760			5,186,760		5,186,760			5,186,760
224	282185	282	Liberalized Depreciation - Other	R	(742,770)			(205,128)	(947,899)	(947,899)		(205,128)	(1,153,027)
225	282186	282	Liberalized Depreciation - Other	R	457,269			45,860	503,129	503,129		45,860	548,989
226	282187	282	Zero Balance	Z	-			-		-			-
227	282188	282	Zero Balance	Z	-			-		-			-
228	282189	282	Zero Balance	Z	-			-		-			-
229	282190	282	Zero Balance	Z	-			-		-			-
230	282191	282	Zero Balance	Z	-			-		-			-
231	282192	282	Zero Balance	Z	-			-		-			-
232	282193	282	Zero Balance	Z	-			-		-			-
233	282194	282	Zero Balance	Z	-			-		-			-
234	282195	282	Zero Balance	Z	-			-		-			-
235	282196	282	Zero Balance	Z	-			-		-			-

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236	282197	282	Zero Balance	Z	-			-		-			-
237	282198	282	Zero Balance	Z	-			-		-			-
238	282201	282	Zero Balance	Z	-			-		-			-
239	282202	282	Zero Balance	Z	-			-		-			-
240	282203	282	ASSET RETIREMENT OBLIGATION	m	224,672			224,672		224,672			224,672
241	282204	282	ASSET RETIREMENT OBLIGATION	m	48,762			48,762		48,762			48,762
242	282243	282	Zero Balance	Z	-			-		-			-
243	282244	282	Zero Balance	Z	-			-		-			-
244	282267	282	AFTON WRITEDOWN	R	6,503,263			6,503,263		6,503,263			6,503,263
245	282268	282	AFTON WRITEDOWN	R	1,411,449			1,411,449		1,411,449			1,411,449
246	282304	282	Nuclear Fuel Amortization PV 1&2	R	-			-		-			-
247	282305	282	Nuclear Fuel Amortization PV 1&2	R	-			-		-			-
248	282306	282	Zero Balance	Z	-			-		-			-
249	282307	282	Zero Balance	Z	-			-		-			-
250	282308	282	Zero Balance	Z	-			-		-			-
251	282309	282	Zero Balance	Z	-			-		-			-
252	282310	282	Zero Balance	Z	-			-		-			-
253	282311	282	Zero Balance	Z	-			-		-			-
254	282312	282	Zero Balance	Z	-			-		-			-
255	282313	282	Zero Balance	Z	-			-		-			-
256	282314	282	Zero Balance	Z	-			-		-			-
257	282315	282	Zero Balance	Z	-			-		-			-
258	282318	282	Zero Balance	Z	-			-		-			-
259	282319	282	Zero Balance	Z	-			-		-			-
260	282320	282	Liberalized Depreciation - Other	R	(127,825,489)			(127,825,489)	(390,200)	(128,215,689)			(128,215,689)
261	282321	282	Liberalized Depreciation - Other	R	(25,223,043)			(25,223,043)		(25,223,043)			(25,223,043)
262	282322	282	ALVARADO SQUARE ABANDONMENT	m	(1,237,351)			(1,237,351)		(1,237,351)			(1,237,351)
263	282323	282	ALVARADO SQUARE ABANDONMENT	m	(280,920)			(280,920)		(280,920)			(280,920)
264	282386	282	Zero Balance	Z	-			-		-			-
265	282387	282	Zero Balance	Z	-			-		-			-
266	282500	282	Zero Balance	Z	-			-		-			-
267	283001	283	BONUS ACCRUAL	X	(575,272)			(575,272)		(575,272)			(575,272)
268	283002	283	BONUS ACCRUAL	X	(124,855)			(124,855)		(124,855)			(124,855)
269	283004	283	Zero Balance	Z	-			-		-			-
270	283005	283	Zero Balance	Z	-			-		-			-
271	283008	283	Zero Balance	Z	-			-		-			-
272	283009	283	Zero Balance	Z	-			-		-			-
273	283010	283	LOSS ON REACQUIRED DEBT	M	(3,271,767)			(3,271,767)		(3,271,767)			(3,271,767)
274	283013	283	LOSS ON REACQUIRED DEBT	M	(686,848)			(686,848)		(686,848)			(686,848)
275	283019	283	GAIN REACQUIRED DEBT	X	(174,832)			(174,832)		(174,832)			(174,832)
276	283020	283	GAIN REACQUIRED DEBT	X	(37,942)			(37,942)		(37,942)			(37,942)
277	283023	283	Pension Qualified	m	(740,908)			(740,908)		(740,908)			(740,908)
278	283024	283	Pension Qualified	m	(160,794)			(160,794)		(160,794)			(160,794)
279	283034	283	RATE CASE EXPENSE	M	(598,150)			(598,150)		(598,150)			(598,150)
280	283035	283	RATE CASE EXPENSE	M	(126,895)			(126,895)		(126,895)			(126,895)

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1			PNM Exhibit MFH-2										
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8	RR=Renewable Rider												
9	M=Included in base period rate base at MDC value				03/31/16			03/31/16	2016Q2	06/30/16			06/30/16
10	Doc Ref	acct	sum	Rate Code	Bal 16Q1	Depr Alloc 16Q1	Adj.s 16Q1	Adj. Bal 16Q1	Activity 16Q2	Bal 16Q2	Depr Alloc 16Q2	Adj.s 16Q2	Adj. Bal 16Q2
281	283144	283	FAS 109	X	(16,947,914)			(16,947,914)		(16,947,914)			(16,947,914)
282	283145	283	FAS 109	X	(2,955,663)			(2,955,663)		(2,955,663)			(2,955,663)
283	283154	283	ASSET RETIREMENT OBLIGATION	m	(20,377,059)			(20,377,059)		(20,377,059)			(20,377,059)
284	283155	283	ASSET RETIREMENT OBLIGATION	m	(4,400,886)			(4,400,886)		(4,400,886)			(4,400,886)
285	283156	283	COMPENSATION EXPENSE	x	(6,080)			(6,080)		(6,080)			(6,080)
286	283157	283	COMPENSATION EXPENSE	x	(1,320)			(1,320)		(1,320)			(1,320)
287	283158	283	PVNGS DECOMM NON UTILITY	N	(14,917,602)			(14,917,602)		(14,917,602)			(14,917,602)
288	283159	283	PVNGS DECOMM NON UTILITY	N	(3,049,264)			(3,049,264)		(3,049,264)			(3,049,264)
289	283160	283	FAS 115	X	(1,163,510)			(1,163,510)		(1,163,510)			(1,163,510)
290	283161	283	FAS 115	X	231,489			231,489		231,489			231,489
291	283162	283	MARK TO MARKET	x	38,497,248			38,497,248		38,497,248			38,497,248
292	283163	283	MARK TO MARKET	x	4,103,832			4,103,832		4,103,832			4,103,832
293	283164	283	Zero Balance	Z	-			-		-			-
294	283165	283	Zero Balance	Z	-			-		-			-
295	283166	283	Zero Balance	Z	-			-		-			-
296	283167	283	Zero Balance	Z	-			-		-			-
297	283168	283	UNREALIZED GAIN ON ENERGY TRADING	X	(1,518,967)			(1,518,967)		(1,518,967)			(1,518,967)
298	283169	283	UNREALIZED GAIN ON ENERGY TRADING	X	(322,765)			(322,765)		(322,765)			(322,765)
299	283170	283	Zero Balance	Z	-			-		-			-
300	283171	283	Zero Balance	Z	-			-		-			-
301	283174	283	HEDGE LOSS	N	395,030			395,030		395,030			395,030
302	283175	283	HEDGE LOSS	N	62,030			62,030		62,030			62,030
303	283180	283	ACCURED ILLNESS	X	248,655			248,655		248,655			248,655
304	283181	283	ACCURED ILLNESS	X	53,972			53,972		53,972			53,972
305	283182	283	BOOK CAPITALIZED INTEREST	R	(6,129,891)			(6,129,891)		(6,129,891)			(6,129,891)
306	283183	283	BOOK CAPITALIZED INTEREST	R	(1,327,468)			(1,327,468)		(1,327,468)			(1,327,468)
307	283185	283	Zero Balance	Z	-			-		-			-
308	283186	283	Zero Balance	Z	-			-		-			-
309	283187	283	ASSET RETIREMENT OBLIGATION	m	(20,042,441)			(20,042,441)		(20,042,441)			(20,042,441)
310	283188	283	ASSET RETIREMENT OBLIGATION	m	(4,349,953)			(4,349,953)		(4,349,953)			(4,349,953)
311	283189	283	Zero Balance	Z	-			-		-			-
312	283190	283	Zero Balance	Z	-			-		-			-
313	283191	283	Coal Mine Decommissioning	M	(11,723,858)			(11,723,858)		(11,723,858)			(11,723,858)
314	283192	283	Coal Mine Decommissioning	M	(2,544,512)			(2,544,512)		(2,544,512)			(2,544,512)
315	283193	283	PREPAID EXPENSES	R	(3,137,587)			(3,137,587)		(3,137,587)			(3,137,587)
316	283194	283	PREPAID EXPENSES	R	(680,016)			(680,016)		(680,016)			(680,016)
317	283201	283	PCB REFINANCING	m	(7,849,383)			(7,849,383)		(7,849,383)			(7,849,383)
318	283202	283	PCB REFINANCING	m	(1,219,702)			(1,219,702)		(1,219,702)			(1,219,702)
319	283203	283	SUN REFINANCING	X	1,447,171			1,447,171		1,447,171			1,447,171
320	283204	283	SUN REFINANCING	X	327,672			327,672		327,672			327,672
321	283205	283	Zero Balance	Z	-			-		-			-
322	283206	283	Zero Balance	Z	-			-		-			-
323	283207	283	DEBT ISSUANCE COST	X	(16,393)			(16,393)		(16,393)			(16,393)
324	283208	283	DEBT ISSUANCE COST	X	(3,756)			(3,756)		(3,756)			(3,756)
325	283210	283	LOSS ON REACQUIRED DEBT	M	784,646			784,646		784,646			784,646

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7	R=Included in base period rate base at book value												
8	RR=Renewable Rider												
9	M=Included in base period rate base at MDC value				03/31/16			03/31/16	2016Q2	06/30/16			06/30/16
10	Doc Ref	acct	sum	Rate Code	Bal 16Q1	Depr Alloc 16Q1	Adj.s 16Q1	Adj. Bal 16Q1	Activity 16Q2	Bal 16Q2	Depr Alloc 16Q2	Adj.s 16Q2	Adj. Bal 16Q2
326	289213	283	LOSS ON REACQUIRED DEBT	M	(38,571)			(38,571)		(38,571)			(38,571)
327	289215	283	SUN REFINANCING	X	(1,704,127)			(1,704,127)		(1,704,127)			(1,704,127)
328	289216	283	SUN REFINANCING	X	(369,858)			(369,858)		(369,858)			(369,858)
329	289217	283	SUN REFINANCING	X	(107,370)			(107,370)		(107,370)			(107,370)
330	289218	283	SUN REFINANCING	X	(26,532)			(26,532)		(26,532)			(26,532)
331	289223	283	STATE AND LOCAL TAX RESERVE	X	48,312			48,312		48,312			48,312
332	289224	283	STATE AND LOCAL TAX RESERVE	X	10,485			10,485		10,485			10,485
333	289225	283	Zero Balance	z	-			-		-			-
334	289226	283	Zero Balance	z	-			-		-			-
335	289231	283	PCB REFINANCING	m	871,951			871,951		871,951			871,951
336	289232	283	PCB REFINANCING	m	188,638			188,638		188,638			188,638
337	289233	283	PCB REFINANCING	m	1,396,404			1,396,404		1,396,404			1,396,404
338	289234	283	PCB REFINANCING	m	303,072			303,072		303,072			303,072
339	289235	283	SUN REFINANCING	x	(1,369,413)			(1,369,413)		(1,369,413)			(1,369,413)
340	289236	283	SUN REFINANCING	x	(297,213)			(297,213)		(297,213)			(297,213)
341	289240	283	SO2 ALLOWANCE CREDITS	x	1			1		1			1
342	289241	283	SO2 ALLOWANCE CREDITS	x	-			-		-			-
343	289275	283	BAD DEBT ALLOWANCE	X	10,084			10,084		10,084			10,084
344	289276	283	BAD DEBT ALLOWANCE	X	2,189			2,189		2,189			2,189
345	289296	283	PV INCENTIVE PROGRAM	x	325,909			325,909		325,909			325,909
346	289297	283	PV INCENTIVE PROGRAM	x	52,131			52,131		52,131			52,131
347	289298	283	BIOMASS	x	(76,295)			(76,295)		(76,295)			(76,295)
348	289299	283	BIOMASS	x	(16,559)			(16,559)		(16,559)			(16,559)
349	289300	283	RENEWABLE ENERGY CERTIFICATES	x	(557,949)			(557,949)		(557,949)			(557,949)
350	289301	283	RENEWABLE ENERGY CERTIFICATES	x	(153,981)			(153,981)		(153,981)			(153,981)
351	289317	283	RATE CASE EXPENSE	M	(834,101)			(834,101)		(834,101)			(834,101)
352	289318	283	RATE CASE EXPENSE	M	(23,948)			(23,948)		(23,948)			(23,948)
353	289325	283	Zero Balance	z	-			-		-			-
354	289326	283	Zero Balance	z	-			-		-			-
355	289361	283	BONUS ACCRUAL	X	3,061,076			3,061,076		3,061,076			3,061,076
356	289362	283	BONUS ACCRUAL	X	664,357			664,357		664,357			664,357
357	289363	283	BONUS ACCRUAL	X	(3,061,077)			(3,061,077)		(3,061,077)			(3,061,077)
358	289364	283	BONUS ACCRUAL	X	(664,362)			(664,362)		(664,362)			(664,362)
359	289367	283	FIN 48 INTEREST	X	(2,197,755)			(2,197,755)		(2,197,755)			(2,197,755)
360	289368	283	FIN 48 INTEREST	X	(476,995)			(476,995)		(476,995)			(476,995)
361	289369	283	RATE CASE EXPENSE	M	-			-		-			-
362	289370	283	RATE CASE EXPENSE	M	-			-		-			-
363	289382	283	Zero Balance	z	-			-		-			-
364	289383	283	Zero Balance	z	-			-		-			-
365	289386	283	FIN 48 INTEREST	X	960,426			960,426		960,426			960,426
366	289387	283	FIN 48 INTEREST	X	207,108			207,108		207,108			207,108
367	289388	283	PVNGS #2 CARRYING COSTS	x	-			-		-			-
368	289389	283	PVNGS #2 CARRYING COSTS	x	-			-		-			-
369	289390	283	RENEWABLE ENERGY EXPENSES	m	-			-		-			-
370	289391	283	RENEWABLE ENERGY EXPENSES	m	-			-		-			-

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1			PNM Exhibit MFH-2										
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8	RR=Renewable Rider												
9	M=Included in base period rate base at MDC value				2016Q3	06/30/16		Test		09/30/16	IRS Required		
10	Doc Ref	acct	sum	Rate Code	Activity 16Q3	Bal 16Q3	Depr Alloc 16Q3	MDCs	Adj.s 16Q3	Adj. Bal 16Q3	Proration	Test Adj.s	Test Period
11	190000	190	MISC NON OPERATING	N		525,214				525,214			525,214
12	1900003	190	Zero Balance	Z		-				-			-
13	1900004	190	Zero Balance	Z		-				-			-
14	1900001	190	TRI STATE RIGHT OF WAY	X		108,238				108,238			108,238
15	1900002	190	TRI STATE RIGHT OF WAY	X		(116,156)				(116,156)			(116,156)
16	190004	190	ALVARADO SQUARE	X		383,930				383,930			383,930
17	190005	190	ALVARADO SQUARE	X		83,323				83,323			83,323
18	190009	190	WAGES	X		273,987				273,987			273,987
19	190010	190	WAGES	X		60,822				60,822			60,822
20	190015	190	Pension Qualified	M		(51,968,799)			1,215,897		(50,752,901)		8,697,406 (42,055,496)
21	190016	190	Pension Qualified	M		(18,416,613)					(18,416,613)		(18,416,613)
22	190019	190	Deferred Federal Tax Credits	r		-				-			-
23	190023	190	ACCRUED VACATION	X		2,037,200				2,037,200			2,037,200
24	190024	190	ACCUSED VACATION	X		442,098				442,098			442,098
25	190027	190	Zero Balance	Z		-				-			-
26	190028	190	Zero Balance	Z		-				-			-
27	190035	190	Eastern Interconnect Project Gain	m		(26,320)				(26,320)			(26,320)
28	190036	190	Eastern Interconnect Project Gain	m		26,320				26,320			26,320
29	190039	190	Palo Verde Prudence Audit 1 & 2	M		158,796		(9,228)		149,568			149,568
30	190040	190	Palo Verde Prudence Audit 1 & 2	M		(149,568)				(149,568)			(149,568)
31	190045	190	Contributions In Aid of Construction	R		27,749,739				27,749,739			27,749,739
32	190047	190	Contributions In Aid of Construction	R		6,008,212				6,008,212			6,008,212
33	190048	190	TAX CAPITALIZED INTEREST	R		19,097,437				19,097,437			19,097,437
34	190049	190	TAX CAPITALIZED INTEREST	R		3,051,461				3,051,461			3,051,461
35	190050	190	GAS PLANT DECOMM S FE	N		(136,544)				(136,544)			(136,544)
36	190051	190	GAS PLANT DECOMM S FE	N		(29,549)				(29,549)			(29,549)
37	190052	190	ASSET RETIREMENT OBLIGATION	m		(5,498,181)				(5,498,181)			(5,498,181)
38	190053	190	ASSET RETIREMENT OBLIGATION	m		(1,136,933)				(1,136,933)			(1,136,933)
39	190054	190	Zero Balance	Z		-				-			-
40	190055	190	Zero Balance	Z		-				-			-
41	190056	190	Palo Verde Construction Credits 1 & 2	M		127,164		(27,766)		99,399			99,399
42	190057	190	Palo Verde Construction Credits 1 & 2	M		20,869				20,869			20,869
43	190084	190	GENERAL RESERVE	X		824,369				824,369			824,369
44	190085	190	GENERAL RESERVE	X		178,596				178,596			178,596
45	190086	190	PCB REFINANCING	E		32,615				32,615			32,615
46	190087	190	PCB REFINANCING	E		7,078				7,078			7,078
47	190088	190	COMPENSATION EXPENSE	X		(3,115,998)				(3,115,998)			(3,115,998)
48	190089	190	COMPENSATION EXPENSE	X		(658,653)				(658,653)			(658,653)
49	190115	190	OTHER LEGAL ACCRUALS	X		439,340				439,340			439,340
50	190116	190	OTHER LEGAL ACCRUALS	X		95,354				95,354			95,354
51	190128	190	NINE MILE TAP	N		20,990				20,990			20,990
52	190129	190	NINE MILE TAP	N		4,880				4,880			4,880
53	190140	190	PVNGS DECOMM NON UTILITY	N		484,816				484,816			484,816
54	190141	190	PVNGS DECOMM NON UTILITY	N		108,318				108,318			108,318
55	190142	190	Palo Verde Gain 1 & 2	M		91,318		(32,810)		58,508			58,508

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10	Doc Ref	acct	sum	Rate Code	Activity 16Q3	Bal 16Q3	Depr Alloc 16Q3	MDCs	Adj.s 16Q3	Adj. Bal 16Q3	Proration	Test Adj.s	Test Period
56	190143	190	Palo Verde Gain 1 & 2	M		97,374				97,374			97,374
57	190146	190	Deferred Federal Tax Credits	R		8,369,225				8,369,225			8,369,225
58	190147	190	Zero Balance	Z		-				-			-
59	190148	190	Zero Balance	Z		-				-			-
60	190151	190	OTHER POST EMPLOYMENT BENEFITS	x		(2,682,275)				(2,682,275)			(2,682,275)
61	190152	190	OTHER POST EMPLOYMENT BENEFITS	x		(562,853)				(562,853)			(562,853)
62	190161	190	PENSION VALUATION ALLOWANCE	x		67,196,635				67,196,635			67,196,635
63	190162	190	PENSION VALUATION ALLOWANCE	x		(63,293,556)				(63,293,556)			(63,293,556)
64	190163	190	REGULATORY RESERVE	X		(4,879)				(4,879)			(4,879)
65	190164	190	REGULATORY RESERVE	X		(1,059)				(1,059)			(1,059)
66	190165	190	ENVIRONMENTAL LIABILITY	X		4,619				4,619			4,619
67	190166	190	ENVIRONMENTAL LIABILITY	X		1,003				1,003			1,003
68	190169	190	FAS 109	X		29,867,170				29,867,170			29,867,170
69	190170	190	FAS 109	X		42,025,472				42,025,472			42,025,472
70	190175	190	WORKERS COMP	X		936,724				936,724			936,724
71	190176	190	WORKERS COMP	X		206,647				206,647			206,647
72	190177	190	SELF INSURANCE	X		200,885				200,885			200,885
73	190178	190	SELF INSURANCE	X		44,307				44,307			44,307
74	190187	190	ASSET RETIREMENT OBLIGATION	M		13,004,738				13,004,738			13,004,738
75	190188	190	ASSET RETIREMENT OBLIGATION	M		2,822,511				2,822,511			2,822,511
76	190191	190	SELF INSURANCE	X		8,837				8,837			8,837
77	190192	190	SELF INSURANCE	X		1,912				1,912			1,912
78	190193	190	Zero Balance	Z		-				-			-
79	190194	190	Zero Balance	Z		-				-			-
80	190195	190	Zero Balance	Z		1				1			1
81	190196	190	Zero Balance	Z		(1)				(1)			(1)
82	190201	190	Palo Verde Dry Cask Storage 1 & 2	M		(872,996)				(872,996)			(872,996)
83	190202	190	Palo Verde Dry Cask Storage 1 & 2	M		872,995				872,995			872,995
84	190205	190	LINE EXTENSION POLICY	R		786,444				786,444			786,444
85	190206	190	LINE EXTENSION POLICY	R		170,687				170,687			170,687
86	190209	190	Zero Balance	Z		-				-			-
87	190210	190	Zero Balance	Z		-				-			-
88	190215	190	OTHER LEGAL ACCRUALS	X		(963,433)				(963,433)			(963,433)
89	190216	190	OTHER LEGAL ACCRUALS	X		(209,024)				(209,024)			(209,024)
90	190217	190	HI VOLTAGE RESERVE	X		2,042,548				2,042,548			2,042,548
91	190218	190	HI VOLTAGE RESERVE	X		443,309				443,309			443,309
92	190219	190	STATE AND LOCAL TAX RESERVE	X		-				-			-
93	190220	190	STATE AND LOCAL TAX RESERVE	X		-				-			-
94	190223	190	Zero Balance	Z		-				-			-
95	190224	190	Zero Balance	Z		-				-			-
96	190225	190	Zero Balance	Z		-				-			-
97	190226	190	Zero Balance	Z		-				-			-
98	190229	190	Coal Mine Decommissioning	M		8,329,990		706,404		9,036,393			9,036,393
99	190230	190	Coal Mine Decommissioning	M		2,760,918				2,760,918			2,760,918
100	190233	190	Zero Balance	Z		-				-			-

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10	Doc Ref	acct	sum	Rate Code	Activity 16Q3	Bal 16Q3	Depr Alloc 16Q3	MDCs	Adj.s 16Q3	Adj. Bal 16Q3	Proration	Test Adj.s	Test Period
101	190234	190	Zero Balance	Z		-				-			-
102	190235	190	Coal Mine Decommissioning	M		(193,067)				(193,067)			(193,067)
103	190236	190	Coal Mine Decommissioning	M		(41,903)				(41,903)			(41,903)
104	190252	190	BAD DEBT ALLOWANCE	X		(60,113)				(60,113)			(60,113)
105	190253	190	BAD DEBT ALLOWANCE	X		(6,733)				(6,733)			(6,733)
106	190284	190	Contributions In Aid of Construction	r		1,102,350				1,102,350			1,102,350
107	190285	190	Contributions In Aid of Construction	r		239,251				239,251			239,251
108	190287	190	BIOMASS	x		(27,508)				(27,508)			(27,508)
109	190288	190	BIOMASS	x		16,561				16,561			16,561
110	190291	190	PREPAID RENT REVENUE	X		(1,128)				(1,128)			(1,128)
111	190292	190	PREPAID RENT REVENUE	X		(47)				(47)			(47)
112	190293	190	REVENUE SUBJECT TO REFUND	x		309,382				309,382			309,382
113	190294	190	REVENUE SUBJECT TO REFUND	x		65,654				65,654			65,654
114	190310	190	Net Operating Loss (NOL)	R	(31,643,255)	46,551,446				46,551,446			46,551,446
115	190311	190	Net Operating Loss (NOL)	R		38,816,628				38,816,628			38,816,628
116	190312	190	Zero Balance	z		-				-			-
117	190313	190	Zero Balance	z		-				-			-
118	190343	190	Zero Balance	z		-				-			-
119	190344	190	Zero Balance	z		-				-			-
120	190345	190	SIGS GROUNDWATER RESERVE	X		97,073				97,073			97,073
121	190346	190	SIGS GROUNDWATER RESERVE	X		20,626				20,626			20,626
122	190347	190	Zero Balance	z		-				-			-
123	190348	190	Zero Balance	z		-				-			-
124	190349	190	Zero Balance	z		-				-			-
125	190350	190	Zero Balance	z		-				-			-
126	190358	190	INJURY & DAMAGES	M		1,421,439				1,421,439			1,421,439
127	190359	190	INJURY & DAMAGES	M		3,186				3,186			3,186
128	190360	190	INJURY & DAMAGES	M		903,660				903,660			903,660
129	190361	190	INJURY & DAMAGES	M		196,839				196,839			196,839
130	190362	190	INJURY & DAMAGES	M		(3)				(3)			(3)
131	190363	190	INJURY & DAMAGES	M		2				2			2
132	190364	190	INJURY & DAMAGES	M		608,962				608,962			608,962
133	190365	190	INJURY & DAMAGES	M		132,177				132,177			132,177
134	190366	190	ROW RESERVE	X		238,922				238,922			238,922
135	190367	190	ROW RESERVE	X		51,854				51,854			51,854
136	190369	190	FEDERAL TAX CORRECTION	N		40,597				40,597			40,597
137	190370	190	FEDERAL TAX CORRECTION	N		(100,534)				(100,534)			(100,534)
138	190381	190	ROW RESERVE	X		(270,120)				(270,120)			(270,120)
139	190382	190	ROW RESERVE	X		(58,488)				(58,488)			(58,488)
140	190383	190	Zero Balance	Z		-				-			-
141	190384	190	Zero Balance	Z		-				-			-
142	190385	190	Palo Verde Construction Credits 1 & 2	m		(46,240)				(46,240)			(46,240)
143	190386	190	Palo Verde Construction Credits 1 & 2	m		(10,036)				(10,036)			(10,036)
144	190389	190	PROPERTY TAX RESERVE	X		52,203				52,203			52,203
145	190390	190	PROPERTY TAX RESERVE	X		11,331				11,331			11,331

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				2016Q3	06/30/16		Test		09/30/16	IRS Required			
10	Doc Ref	acct	sum	Rate Code	Activity 16Q3	Bal 16Q3	Depr Alloc 16Q3	MDCs	Adj.s 16Q3	Adj. Bal 16Q3	Proration	Test Adj.s	Test Period
146	190395	190	Zero Balance	Z		-				-			-
147	190396	190	Zero Balance	Z		-				-			-
148	190399	190	Zero Balance	z		-				-			-
149	190400	190	Zero Balance	z		-				-			-
150	190401	190	RATE RIDER	x		(302,939)				(302,939)			(302,939)
151	190402	190	RATE RIDER	x		(65,832)				(65,832)			(65,832)
152	190403	190	RENEWABLE CREDITS	x		27,564,601				27,564,601			27,564,601
153	190404	190	INCENTIVE PAY PLANS	x		2,282,705				2,282,705			2,282,705
154	190405	190	INCENTIVE PAY PLANS	x		495,211				495,211			495,211
155	190406	190	ENERGY EFFICIENCY	x		1,175,767				1,175,767			1,175,767
156	190407	190	ENERGY EFFICIENCY	x		255,185				255,185			255,185
157	190413	190	NM SOLAR ENERGY CENTER	x		98,351				98,351			98,351
158	190414	190	NM SOLAR ENERGY CENTER	x		20,743				20,743			20,743
159	190415	190	DOE SPENT FUEL SETTLEMENT	m		(183,272)			(1,099,997)		(1,283,268)		(1,283,268)
160	190416	190	DOE SPENT FUEL SETTLEMENT	m		199,002				199,002			199,002
161	190419	190	SIERRA CLUB	x		-				-			-
162	190420	190	SIERRA CLUB	x		-				-			-
163	190421	190	LVGS Decommissioning	m		394,659			(232,884)		161,775		-
164	190422	190	LVGS Decommissioning	m		76,771				76,771			76,771
165	190423	190	EXTENDED LEAVE	x		23,412				23,412			23,412
166	190424	190	EXTENDED LEAVE	x		5,169				5,169			5,169
167	190425	190	Coal Mine Decommissioning	m		(95,748)				(95,748)			(95,748)
168	190426	190	Coal Mine Decommissioning	m		(20,010)				(20,010)			(20,010)
169	190429	190	EFFECT OF NM TAX RATE	x		427,857				427,857			427,857
170	190430	190	EFFECT OF NM TAX RATE	x		72,124				72,124			72,124
171	190431	190	Renewable NM AETC	rr		1,256,906			(75,802)		1,181,104		1,181,104
172	190432	190	Renewable NM AETC	rr		285,710				285,710			285,710
173	190433	190	NAVAJO WORKFORCE TRAINING	x		194,992				194,992			194,992
174	190434	190	NAVAJO WORKFORCE TRAINING	x		42,880				42,880			42,880
175	190435	190	SIGS AUDIT RESERVES	x		11,353				11,353			11,353
176	190436	190	SIGS AUDIT RESERVES	x		5,614				5,614			5,614
177	190437	190	SI RECLAMATION TRUST	x		97,626				97,626			97,626
178	190438	190	SI RECLAMATION TRUST	x		20,769				20,769			20,769
179	190441	190	Net Operating Loss (NOL)	r		1,509,523				1,509,523			1,509,523
180	190442	190	Net Operating Loss (NOL)	r		(4,312,920)				(4,312,920)			(4,312,920)
181	190443	190	FOUR CORNERS SURTAX SETTLEMENT	x		153,640				153,640			153,640
182	190444	190	FOUR CORNERS SURTAX SETTLEMENT	x		32,028				32,028			32,028
183	190445	190	DOE SPENT FUEL SETTLEMENT	m		637,833				637,833			637,833
184	190446	190	DOE SPENT FUEL SETTLEMENT	m		132,963				132,963			132,963
185	190447	190	DOE SPENT FUEL SETTLEMENT	m		1,182,507				1,182,507			1,182,507
186	190448	190	DOE SPENT FUEL SETTLEMENT	m		246,507				246,507			246,507
187	190900	190	Zero Balance	z		-				-			-
188	281000	281	Pollution Control Facilities 4 Corners	r		(720,046)			(49,673)		(769,719)		(736,784)
189	281001	281	Pollution Control Facilities 4 Corners	r		(69,473)				(69,473)			(69,473)
190	281003	281	FAS 109	x		(3,479,713)				(3,479,713)			(3,479,713)

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191	281004	281	FAS 109	X		(747,462)				(747,462)			(747,462)
192	282000	282	LIBERALIZED DEPRECIATION NONOP	N		3,458,183				3,458,183			3,458,183
193	282001	282	LIBERALIZED DEPRECIATION NONOP	N		809,491				809,491			809,491
194	282003	282	Liberalized Depreciation - Other	R	734,593	271,512,937				271,512,937	(483,760)		271,029,178
195	282004	282	Liberalized Depreciation - Other	R		(90,409,678)				(90,409,678)			(90,409,678)
196	282005	282	FERC Customer Depreciation	R		1,014,233			6,565	1,020,798	(4,353)		1,016,445
197	282006	282	FERC Customer Depreciation	R		290,053				290,053			290,053
198	282007	282	Palo Verde Start-Up Amortization	R		263,465				263,465			263,465
199	282008	282	Palo Verde Start-Up Amortization	R		(13,439)				(13,439)			(13,439)
200	282009	282	Nuclear Fuel Amortization PV 1&2	R		-				-			-
201	282010	282	Nuclear Fuel Amortization PV 1&2	R		-				-			-
202	282011	282	Liberalized Depreciation - PV 3	R	155,789	(59,985,907)				(59,985,907)	(100,572)		(60,086,479)
203	282012	282	Liberalized Depreciation - PV 3	R		(7,988,868)				(7,988,868)			(7,988,868)
204	282013	282	Liberalized Depreciation - Other	R		(14,507,088)			(38,396)	(14,540,484)	22,143		(14,618,341)
205	282014	282	Liberalized Depreciation - Other	R		(1,847,932)				(1,847,932)			(1,847,932)
206	282015	282	Zero Balance	Z		-				-			-
207	282016	282	Zero Balance	Z		-				-			-
208	282017	282	Debt AFUDC	R	(301,599)	(24,074,681)				(24,074,681)	199,973		(23,874,708)
209	282018	282	Debt AFUDC	R		(3,590,106)				(3,590,106)			(3,590,106)
210	282019	282	Palo Verde Licensing Amortization	R	(5,183)	(3,958,448)				(3,958,448)			(3,958,448)
211	282020	282	Palo Verde Licensing Amortization	R		(801,360)				(801,360)			(801,360)
212	282021	282	ASSET RETIREMENT OBLIGATION	M		19,672,862				19,672,862			19,672,862
213	282022	282	ASSET RETIREMENT OBLIGATION	M		4,229,087				4,229,087			4,229,087
214	282025	282	Pre-1981 Repair Allowance	R		(18,190,422)				(18,190,422)			(18,190,422)
215	282026	282	Pre-1981 Repair Allowance	R		(3,948,000)				(3,948,000)			(3,948,000)
216	282031	282	Liberalized Depreciation - Other	R		1,768,180				1,768,180			1,768,180
217	282032	282	Liberalized Depreciation - Other	R		382,741				382,741			382,741
218	282033	282	FAS 109	X		(32,781,249)				(32,781,249)			(32,781,249)
219	282034	282	FAS 109	X		(4,343,328)				(4,343,328)			(4,343,328)
220	282050	282	Zero Balance	Z		-				-			-
221	282051	282	Zero Balance	Z		-				-			-
222	282052	282	ASSET RETIREMENT OBLIGATION	M		16,358,711		742,755		17,101,466			17,101,466
223	282053	282	ASSET RETIREMENT OBLIGATION	M		5,186,760				5,186,760			5,186,760
224	282185	282	Liberalized Depreciation - Other	R		(1,153,027)			(205,128)	(1,358,155)	136,009		(1,222,146)
225	282186	282	Liberalized Depreciation - Other	R		548,989			45,860	594,849	(30,407)		564,442
226	282187	282	Zero Balance	Z		-				-			-
227	282188	282	Zero Balance	Z		-				-			-
228	282189	282	Zero Balance	Z		-				-			-
229	282190	282	Zero Balance	Z		-				-			-
230	282191	282	Zero Balance	Z		-				-			-
231	282192	282	Zero Balance	Z		-				-			-
232	282193	282	Zero Balance	Z		-				-			-
233	282194	282	Zero Balance	Z		-				-			-
234	282195	282	Zero Balance	Z		-				-			-
235	282196	282	Zero Balance	Z		-				-			-

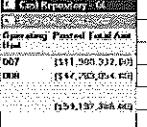
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236	282197	282	Zero Balance	Z		-				-			-
237	282198	282	Zero Balance	Z		-				-			-
238	282201	282	Zero Balance	Z		-				-			-
239	282202	282	Zero Balance	Z		-				-			-
240	282203	282	ASSET RETIREMENT OBLIGATION	m		224,672				224,672			224,672
241	282204	282	ASSET RETIREMENT OBLIGATION	m		48,762				48,762			48,762
242	282243	282	Zero Balance	Z		-				-			-
243	282244	282	Zero Balance	Z		-				-			-
244	282257	282	AFTON WRITEDOWN	R		6,503,263				6,503,263			6,503,263
245	282258	282	AFTON WRITEDOWN	R		1,411,449				1,411,449			1,411,449
246	282304	282	Nuclear Fuel Amortization PV 1&2	R		-				-			-
247	282305	282	Nuclear Fuel Amortization PV 1&2	R		-				-			-
248	282306	282	Zero Balance	Z		-				-			-
249	282307	282	Zero Balance	Z		-				-			-
250	282308	282	Zero Balance	Z		-				-			-
251	282309	282	Zero Balance	Z		-				-			-
252	282310	282	Zero Balance	Z		-				-			-
253	282311	282	Zero Balance	Z		-				-			-
254	282312	282	Zero Balance	Z		-				-			-
255	282313	282	Zero Balance	Z		-				-			-
256	282314	282	Zero Balance	Z		-				-			-
257	282315	282	Zero Balance	Z		-				-			-
258	282318	282	Zero Balance	Z		-				-			-
259	282319	282	Zero Balance	Z		-				-			-
260	282320	282	Liberalized Depreciation - Other	R	(390,200)	(128,605,889)				(128,605,889)	258,720		(128,347,169)
261	282321	282	Liberalized Depreciation - Other	R		(25,223,043)				(25,223,043)			(25,223,043)
262	282322	282	ALVARADO SQUARE ABANDONMENT	m		(1,237,351)		299,627		(937,724)			(937,724)
263	282323	282	ALVARADO SQUARE ABANDONMENT	m		(280,920)				(280,920)			(280,920)
264	282386	282	Zero Balance	Z		-				-			-
265	282387	282	Zero Balance	Z		-				-			-
266	282500	282	Zero Balance	Z		-				-			-
267	283001	283	BONUS ACCRUAL	X		(575,272)				(575,272)			(575,272)
268	283002	283	BONUS ACCRUAL	X		(124,855)				(124,855)			(124,855)
269	283004	283	Zero Balance	Z		-				-			-
270	283005	283	Zero Balance	Z		-				-			-
271	283008	283	Zero Balance	Z		-				-			-
272	283009	283	Zero Balance	Z		-				-			-
273	283010	283	LOSS ON REACQUIRED DEBT	M		(3,271,767)				(3,271,767)			(3,271,767)
274	283013	283	LOSS ON REACQUIRED DEBT	M		(686,848)				(686,848)			(686,848)
275	283019	283	GAIN REACQUIRED DEBT	X		(174,832)				(174,832)			(174,832)
276	283020	283	GAIN REACQUIRED DEBT	X		(37,942)				(37,942)			(37,942)
277	283023	283	Pension Qualified	m		(740,908)				(740,908)			(740,908)
278	283024	283	Pension Qualified	m		(160,794)				(160,794)			(160,794)
279	283034	283	RATE CASE EXPENSE	M		(598,150)				(598,150)			(598,150)
280	283035	283	RATE CASE EXPENSE	M		(126,895)				(126,895)			(126,895)

	A	B	C	D	BO	BP	BQ	BR	BS	BT	BU	BV	BW
1			PNM Exhibit MFH-2										
2			ADIT-4: ADIT Rollforward										
3			Hyperlink to Lead Sheet										
4	N=NON-UTILITY												
5	X=Underlying acct not in rate base												
6	Z=Zero adjusted balance												
7	R=Included in base period rate base at book value												
8	RR=Renewable Rider												
9	M=Included in base period rate base at MDC value												
10	Doc Ref	acct	sum	Rate Code	Activity 16Q3	Bal 16Q3	Depr Alloc 16Q3	MDCs	Adj.s 16Q3	Adj. Bal 16Q3	Proration	Test Adj.s	Test Period
281	283144	283	FAS 109	X		(16,947,914)				(16,947,914)			(16,947,914)
282	283145	283	FAS 109	X		(2,955,663)				(2,955,663)			(2,955,663)
283	283154	283	ASSET RETIREMENT OBLIGATION	m		(20,377,059)				(20,377,059)			(20,377,059)
284	283155	283	ASSET RETIREMENT OBLIGATION	m		(4,400,886)				(4,400,886)			(4,400,886)
285	283156	283	COMPENSATION EXPENSE	x		(6,080)				(6,080)			(6,080)
286	283157	283	COMPENSATION EXPENSE	x		(1,320)				(1,320)			(1,320)
287	283158	283	PVNGS DECOMM NON UTILITY	N		(14,917,602)				(14,917,602)			(14,917,602)
288	283159	283	PVNGS DECOMM NON UTILITY	N		(3,049,264)				(3,049,264)			(3,049,264)
289	283160	283	FAS 115	X		(1,163,510)				(1,163,510)			(1,163,510)
290	283161	283	FAS 115	X		231,489				231,489			231,489
291	283162	283	MARK TO MARKET	x		38,497,248				38,497,248			38,497,248
292	283163	283	MARK TO MARKET	x		4,103,832				4,103,832			4,103,832
293	283164	283	Zero Balance	Z		-				-			-
294	283165	283	Zero Balance	Z		-				-			-
295	283166	283	Zero Balance	Z		-				-			-
296	283167	283	Zero Balance	Z		-				-			-
297	283168	283	UNREALIZED GAIN ON ENERGY TRADING	X		(1,518,967)				(1,518,967)			(1,518,967)
298	283169	283	UNREALIZED GAIN ON ENERGY TRADING	X		(322,765)				(322,765)			(322,765)
299	283170	283	Zero Balance	Z		-				-			-
300	283171	283	Zero Balance	Z		-				-			-
301	283174	283	HEDGE LOSS	N		395,030				395,030			395,030
302	283175	283	HEDGE LOSS	N		62,030				62,030			62,030
303	283180	283	ACCURED ILLNESS	X		248,655				248,655			248,655
304	283181	283	ACCURRED ILLNESS	X		53,972				53,972			53,972
305	283182	283	BOOK CAPITALIZED INTEREST	R		(6,129,891)				(6,129,891)			(6,129,891)
306	283183	283	BOOK CAPITALIZED INTEREST	R		(1,327,468)				(1,327,468)			(1,327,468)
307	283185	283	Zero Balance	Z		-				-			-
308	283186	283	Zero Balance	Z		-				-			-
309	283187	283	ASSET RETIREMENT OBLIGATION	m		(20,042,441)				(20,042,441)			(20,042,441)
310	283188	283	ASSET RETIREMENT OBLIGATION	m		(4,349,953)				(4,349,953)			(4,349,953)
311	283189	283	Zero Balance	Z		-				-			-
312	283190	283	Zero Balance	Z		-				-			-
313	283191	283	Coal Mine Decommissioning	M		(11,723,858)				(11,723,858)			(11,723,858)
314	283192	283	Coal Mine Decommissioning	M		(2,544,512)				(2,544,512)			(2,544,512)
315	283193	283	PREPAID EXPENSES	R		(3,137,587)				(3,137,587)			(3,137,587)
316	283194	283	PREPAID EXPENSES	R		(680,016)				(680,016)			(680,016)
317	283201	283	PCB REFINANCING	m		(7,849,383)		329,883		(7,519,500)			(7,519,500)
318	283202	283	PCB REFINANCING	m		(1,219,702)				(1,219,702)			(1,219,702)
319	283203	283	SUN REFINANCING	x		1,447,171				1,447,171			1,447,171
320	283204	283	SUN REFINANCING	x		327,672				327,672			327,672
321	283205	283	Zero Balance	Z		-				-			-
322	283206	283	Zero Balance	Z		-				-			-
323	283207	283	DEBT ISSUANCE COST	X		(16,393)				(16,393)			(16,393)
324	283208	283	DEBT ISSUANCE COST	X		(3,756)				(3,756)			(3,756)
325	283210	283	LOSS ON REACQUIRED DEBT	M		784,646		152,783		937,429			937,429

	A	B	C	D	BO	BP	BQ	BR	BS	BT	BU	BV	BW
1			PNM Exhibit MFH-2										
2			ADIT-4: ADIT Rollforward										
3			HyperLink to Lead Sheet										
4	N=NON-UTILITY												
5	X=Underlying acct not in rate base												
6	Z=Zero adjusted balance												
7	R=Included in base period rate base at book value												
8	RR=Renewable Rider												
9	M=Included in base period rate base at MDC value				2016Q3	06/30/16		Test		09/30/16	IRS Required		
10	Doc Ref	acct	sum	Rate Code	Activity 16Q3	Bal 16Q3	Depr Alloc 16Q3	MDCs	Adj.s 16Q3	Adj. Bal 16Q3	Proration	Test Adj.s	Test Period
326	283213	283	LOSS ON REACQUIRED DEBT	M		(38,571)				(38,571)			[38,571]
327	283215	283	SUN REFINANCING	X		(1,704,127)				(1,704,127)			(1,704,127)
328	283216	283	SUN REFINANCING	X		(369,858)				(369,858)			(369,858)
329	283217	283	SUN REFINANCING	X		(107,370)				(107,370)			(107,370)
330	283218	283	SUN REFINANCING	X		(26,532)				(26,532)			(26,532)
331	283223	283	STATE AND LOCAL TAX RESERVE	X		48,312				48,312			48,312
332	283224	283	STATE AND LOCAL TAX RESERVE	X		10,485				10,485			10,485
333	283225	283	Zero Balance	z		-				-			-
334	283226	283	Zero Balance	z		-				-			-
335	283231	283	PCB REFINANCING	m		871,951				871,951			871,951
336	283232	283	PCB REFINANCING	m		188,638				188,638			188,638
337	283233	283	PCB REFINANCING	m		1,396,404				1,396,404			1,396,404
338	283234	283	PCB REFINANCING	m		303,072				303,072			303,072
339	283235	283	SUN REFINANCING	X		(1,369,413)				(1,369,413)			(1,369,413)
340	283236	283	SUN REFINANCING	X		(297,213)				(297,213)			(297,213)
341	283240	283	SO2 ALLOWANCE CREDITS	x		1				1			1
342	283241	283	SO2 ALLOWANCE CREDITS	x		-				-			-
343	283275	283	BAD DEBT ALLOWANCE	X		10,084				10,084			10,084
344	283276	283	BAD DEBT ALLOWANCE	X		2,189				2,189			2,189
345	283296	283	PV INCENTIVE PROGRAM	X		325,909				325,909			325,909
346	283297	283	PV INCENTIVE PROGRAM	X		52,131				52,131			52,131
347	283298	283	BIOMASS	X		(76,295)				(76,295)			(76,295)
348	283299	283	BIOMASS	X		(16,559)				(16,559)			(16,559)
349	283300	283	RENEWABLE ENERGY CERTIFICATES	X		(557,949)				(557,949)			(557,949)
350	283301	283	RENEWABLE ENERGY CERTIFICATES	X		(153,981)				(153,981)			(153,981)
351	283317	283	RATE CASE EXPENSE	M		(334,101)		787,963		(46,138)			(46,138)
352	283318	283	RATE CASE EXPENSE	M		(23,948)				(23,948)			(23,948)
353	283325	283	Zero Balance	z		-				-			-
354	283326	283	Zero Balance	z		-				-			-
355	283361	283	BONUS ACCRUAL	X		3,061,076				3,061,076			3,061,076
356	283362	283	BONUS ACCRUAL	X		664,357				664,357			664,357
357	283363	283	BONUS ACCRUAL	X		(3,061,077)				(3,061,077)			(3,061,077)
358	283364	283	BONUS ACCRUAL	X		(664,362)				(664,362)			(664,362)
359	283367	283	FIN 48 INTEREST	X		(2,197,755)				(2,197,755)			(2,197,755)
360	283368	283	FIN 48 INTEREST	X		(476,995)				(476,995)			(476,995)
361	283369	283	RATE CASE EXPENSE	M		-				-			-
362	283370	283	RATE CASE EXPENSE	M		-				-			-
363	283382	283	Zero Balance	z		-				-			-
364	283383	283	Zero Balance	z		-				-			-
365	283386	283	FIN 48 INTEREST	X		960,426				960,426			960,426
366	283387	283	FIN 48 INTEREST	X		207,108				207,108			207,108
367	283388	283	PVNGS #2 CARRYING COSTS	X		-				-			-
368	283389	283	PVNGS #2 CARRYING COSTS	X		-				-			-
369	283390	283	RENEWABLE ENERGY EXPENSES	m		-				-			-
370	283391	283	RENEWABLE ENERGY EXPENSES	m		-				-			-

	A	B	C	D	BO	BP	BQ	BR	BS	BT	BU	BV	BW	
1			[PNM Exhibit MFH-2]											
2			ADIT-4: ADIT Rollforward											
3			Hyperlink to Lead Sheet											
4	N=NON-UTILITY													
5	X=Underlying acct not in rate base													
6	Z=Zero adjusted balance													
7	R=Included in base period rate base at book value													
8	RR=Renewable Rider													
9	M=Included in base period rate base at MDC value			2016Q3	06/30/16		Test		09/30/16	IRS Required				
10	Doc Ref	acct	sum	Rate Code	Activity 16Q3	Bal 16Q3	Depr Alloc 16Q3	MDCs	Adj.s 16Q3	Adj. Bal 16Q3	Proration	Test Adj.s	Test Period	
416		283162												
417		283163												
418		283900												
419														
420	Total G/L ADIT balance				-	-	-	-	-	-	-	-	-	
421	Difference				(34,109,184)	(741,137,984)		-	2,991,244	(235,772)	(738,382,512)	1,777,917	8,746,574	(727,858,021)
422	Reconciling Items													
423	Corp alloc of depr ADIT				840,593	(5,624,004)		-	-	-	(5,624,004)	(555,141)	-	(6,179,145)
424	Corp alloc of NOL ADIT				(100,015)	669,155		-	-	-	669,155	-	-	669,155
425	Fin 48 reclasses													
426	Total Reconciling Items				740,577	(4,954,849)		-	-	-	(4,954,849)	(555,141)	-	(5,509,990)
427	ULD				(34,849,761)	(736,183,155)		-	2,991,244	(235,772)	(733,427,663)	2,333,058	8,746,574	(722,348,031)
428														
429	NON-UTILITY	N			-	(12,323,944)		-	-	-	(12,323,944)	-	-	(12,323,944)
430	Underlying acct not in rate base	X			-	69,984,529		-	-	-	69,984,529	-	-	69,984,529
431	Zero adjusted balance	Z			-	-	-	-	-	-	-	-	-	-
432	Renewable Rider	RR			441,283	(44,896,547)		-	(75,802)	-	(44,972,349)	(292,590)	-	(45,264,939)
433	Included in base period rate base at MDC value	M			-	(73,229,732)		-	3,057,046	-	(70,162,586)	-	8,746,574	(61,416,111)
434	Included in base period rate base at book value	R			(34,550,467)	(680,672,291)		-	-	(235,772)	(680,908,063)	2,070,507	-	(678,837,556)
435														
436	Total				(34,109,184)	(741,137,984)		-	2,991,244	(235,772)	(738,382,512)	1,777,917	8,746,574	(727,858,021)
437	ULD				-	-	-	-	-	-	-	-	-	-
438														

PNM EXHIBIT MFH-2
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	A	B	C	D
1	PNM Exhibit MFH-2			
2	ADIT-5: Corporate ADIT Allocation			
3	Hyperlink to Lead Sheet			
4				
5	Allocation of ADIT is based on the net book plant allocated to PNM from Cos 7 & 8.			
6	ADIT is not tracked by separate plant additions.			
7	Source: Company Records			
8				
9		Base Period		
10	Allocation percentage per Cos of Service Dept 07/09/15	77.35%		
11				
12				
13				
14		3/30/2015		
15				
16	Co 7 Depr ADIT per G/L	(11,908,332)		
17				
18	Co 8 Depr ADIT per G/L	(47,289,054)		
19	Less: amount related to Altura			
20	offset in Co 8 190s and 283s	47,355,209		
21				
22	Total ADIT to be allocated	(11,842,177)		
23				
24	Depr ADIT allocated to PNM	(9,159,924)		
25				
26				
27	NOL ADIT at Cos 7 & 8			
28	190310	38,160,548		
29	190311	11,187,920		
30	Total	49,348,468		
31				
32	NOL ADIT related to accel depr	1,409,005		
33				
34	NOL ADIT allocated to PNM	1,089,866		
35				
36				
37				
38		Operating Posted Total Amnt		
39		Total	\$11,842,177.00	
40		D07	\$11,842,177.00	
41		D08	(\$47,289,054)	
42			(\$29,446,877)	
43			(\$29,446,877)	
44		Date Ref	Amount	
45		190310	\$38,160,548.00	
46		190311	\$11,187,920.00	
47				
48	Federal taxable income	source	Amount	
49	Co 7 2010	Form 1120	(7,099,986)	
50	Co 8 2010	Form 1120	(179,935,429)	
51	Co 7 2011	Form 1120	1,468,307	
52	Co 8 2011	Form 1120	(62,967,943)	
53	Co 7 2012	Form 1120	6,543,049	
54	Co 8 2012	Form 1120	(27,251,681)	
55	Co 7 2013	Form 1120	(1,952,479)	
56	Co 8 2013	Form 1120	(17,647,994)	
57	Co 7 2014	year-end tax accrual	(5,157,721)	
58	Co 8 2014	year-end tax accrual	(8,955,584)	
59	Total		(302,957,461)	
60				
61	Depreciation temporary book/tax difference			
62	Co 7 2010	Form 1120	(6,431,162)	
63	Co 8 2010	Form 1120	1,357,962	
64	Co 7 2011	Form 1120	(3,876,413)	
65	Co 8 2011	Form 1120	1,357,968	
66	Co 7 2012	Form 1120	3,353,533	
67	Co 8 2012	Form 1120	352,176	
68	Co 7 2013	Form 1120	560,228	
69	Co 8 2013	Form 1120	(521,630)	
70	Co 7 2014	year-end tax accrual	(4,210,126)	
71	Co 8 2014	year-end tax accrual	(592,626)	
72	Total		(8,650,090)	
73				
74	Accel depr as a % of taxable loss		2.86%	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q														
1	PNM Exhibit MFH-2																														
2	ADIT-7: 2013 Solar Additions																														
3	Hyperlink to Lead Sheet																														
4																															
5	Renewable Energy Rider Reconciliation																														
6	2015 Annual Revenue Requirement for the PNM Owned 2013 Facilities																														
7	See Testimony of PNM Witness Monroy regarding Renewables																														
8																															
9																															
10																															
11																															
12			D		E		F		G		H		I		J		K		L		M										
13			2013												2014																
14					<u>Revenue Requirement</u>		<u>January</u>		<u>February</u>		<u>March</u>		<u>April</u>		<u>May</u>		<u>June</u>		<u>July</u>		<u>August</u>		<u>September</u>								
15	Accumulated Deferred Income Taxes																														
16																															
17	Tax Depreciation																														
18	(22,593,037)																														
19	Deferred																														
20	Flow- Through AFUDC Equity and ITC Basis Diff																														
21	Deferred Tax - NOL																														
22	Deferred Tax - Plant																														
23	Total Accumulated Deferred Income Taxes																														
24	(4,010,459)																														
25																															
26																															
27																															
28																															
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	A	B	C	D	E	R	S	T	U	V	W	X	Y	Z	AA
1	PNM Exhibit MFH-2														
2	ADIT-7: 2013 Solar Additions														
3	Hyperlink to Lead Sheet														
4															
5	Renewable Energy Rider Reconciliation														
6	2015 Annual Revenue Requirement for the PNM Owned 2013 Facilities														
7	See Testimony of PNM Witness Monroy regarding Renewables														
8															
9															
10															
11															201
12															
13															
14	Accumulated Deferred Income Taxes														
15	Tax Depreciation														(30,334,698)
16															
17	Deferred														28,607,452
18	Flow- Through AFUDC Equity and ITC Basis Diff														337,399
19	Deferred Tax - NOL														9,273,727
20	Deferred Tax - Plant														(11,313,164)
21	Total Accumulated Deferred Income Taxes														(2,039,437)
22															

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PNM Exhibit MFH-2													
2	ADIT-8: 2014 Solar Additions													
3	Hyperlink to Lead Sheet													
4														
5	Renewable Energy Rider Reconciliation													
6	2015 Annual Revenue Requirement for the PNM Owned 2014 Facilities													
7	See Testimony of PNM Witness Monroy regarding Renewables													
8														
9														
10					B	C	D	E	F	G	H	I	J	
11														2015
12					<u>Revenue Requirement</u>	January	February	March	April	May	June	July	August	
13														
14	Accumulated Deferred Income Taxes													
15	Tax Depreciation				(22,374,079)	(22,871,281)	(23,368,483)	(23,865,685)	(24,362,887)	(24,860,088)	(25,357,290)	(25,854,492)	(26,351,694)	
16														
17	Deferred ..				22,634,793	23,027,686	23,420,580	23,813,474	24,206,368	24,599,262	24,992,156	25,385,050	25,777,943	
18	Flow-Through AFUDC Equity and ITC Basis Diff				371,104	351,794	332,483	313,173	293,863	274,552	255,242	235,952	216,621	
19	Deferred Tax - NOL				-	9,011,226	9,040,440	9,070,323	9,100,876	9,132,094	9,163,977	9,196,523	9,229,729	
20	Deferred Tax - Plant				(8,922,635)	(9,076,650)	(9,230,664)	(9,384,678)	(9,538,693)	(9,692,707)	(9,846,722)	(10,000,756)	(10,154,750)	
21	Total Accumulated Deferred Income Taxes				(8,922,635)	(65,424)	(190,224)	(314,355)	(437,817)	(560,613)	(682,745)	(804,213)	(925,021)	

	A	B	C	D	E	P	Q	R	S	T
1	PNM Exhibit MFH-2									
2	ADIT-8: 2014 Solar Additions									
3	Hyperlink to Lead Sheet									
4										
5	Renewable Energy Rider Reconciliation									
6	2015 Annual Revenue Requirement for the PNM Owned 2014 Facilities									
7	See Testimony of PNM Witness Monroe regarding Renewables									
8										
9										
10					K	L	M	N	O	
11										2015 Updated
12					<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>Revenue</u>	<u>Requirement</u>
13										
14	Accumulated Deferred Income Taxes									
15	Tax Depreciation				(26,848,895)	(27,346,097)	(27,843,299)	(28,340,501)	(28,340,501)	
16										
17	Deferred				26,170,837	26,563,751	26,956,625	27,349,519	27,349,519	
18	Flow- Through AFUDC Equity and ITC Basis Diff				197,311	178,001	158,690	139,380	139,380	
19	Deferred Tax - NOL				9,263,595	9,298,119	9,333,298	9,369,131	9,369,131	
20	Deferred Tax - Plant				(10,308,765)	(10,462,779)	(10,616,794)	(10,770,808)	(10,770,808)	
21	Total Accumulated Deferred Income Taxes				(1,045,159)	(1,164,660)	(1,283,496)	(1,401,677)	(1,401,677)	

	A	B	K	L	M	N	O	P	Q	R	S	T
1	PNM Exhibit MFH-2											
2	ADIT-9: Depreciation ADIT by function - Base Period											
3	<u>Hyperlink to Lead Sheet</u>											
4	Source: Company Records											
5												
6			Acct 282		Acct 282							
7			G/L Balance		G/L Balance							
8	Co		12/13/14	Activity	03/31/15							
9	1	Dist	(194,581,789)	(1,759,133)	(196,740,922)							
10	2	Trans	(92,158,809)	(1,152,976)	(93,311,785)							
11	3	Gen	(471,440,161)	855,227	(470,584,934)							
12	00C	Gen	(11,097,268)	-	(11,097,268)							
13	00J	Corp	(182,149)	-	(182,149)							
14	34	Dist	(17,603,526)	(84,879)	(17,688,405)							
15	35	Trans	(8,316,562)	(103,757)	(8,420,329)							
16												
17	G/L		(795,780,264)	(2,245,528)	(798,025,792)							
18												
19	FERC FIN 48 Reclass	Gen	(10,241,633)		(10,241,633)							
20												
21	G/L		(806,021,897)	(2,245,528)	(808,267,425)							
22												
23	[Items shown separately]											
24												
25	FERC	trans	(93,566)	-	(93,566)	282005	282005					
26	FERC	dist	167,412	-	167,412	282005	282005					
27	FERC	Gen	1,191,479	-	1,191,479	282005	282006					
28												
29	AFUDC Debt	trans	(3,043,184)	108,336	(2,934,848)	282017	282018					
30	AFUDC Debt	dist	(3,385,086)	30,654	(3,354,432)	282017	282018					
31	AFUDC Debt	Gen	(10,365,871)	273,411	(10,092,460)	282017	282018					
32												
33	Repair Allow	trans	(4,134,431)	-	(4,134,431)	282025	282026					
34	Repair Allow	dist	(10,094,775)	-	(10,094,775)	282025	282026					
35	Repair Allow	Gen	(7,909,216)	-	(7,909,216)	282025	282026					
36												
37	Fas 109	trans	(1,615,162)	-	(1,615,162)	282033	282034					
38	Fas 109	dist	(4,273,395)	-	(4,273,395)	282033	282034					
39	Fas 109	Gen	(20,025,984)	-	(20,025,984)	282033	282034					
40												
41	ARO	trans	-	-	-	282052	282053	282021	282022	282203	282204	
42	ARO	dist	278,091	-	278,091	282052	282053	282021	282022	282203	282204	
43	ARO	Gen	47,569,584	414,612	47,984,196	282052	282053	282021	282022	282203	282204	
44												
45	Alvarado Sq Dist	Dist	(1,575,258)	-	(1,575,258)	282322	282323					
46												
47	PVNGS startup	Gen	250,026	-	250,026	282007	282008					
48	Nuc Fuel	Gen	(7,969,027)	-	(7,969,027)	282009	282010					
49	Nuc Fuel amort	Gen	16,031,870	-	16,031,870	282304	282305					
50	PV3	Gen	(59,182,191)	1,246,729	(57,935,452)	282011	282012					
51	PV licensing	Gen	(4,190,253)	-	(4,190,253)	282019	282020					
52	Afton w/d	Gen	7,914,712	-	7,914,712	282267	282268					
53												
54	Depreciation											
55	Distribution	dist	(193,702,304)	(1,874,666)	(195,576,970)							
56	trans	trans	(91,589,028)	(1,365,079)	(92,954,107)							
57	Generation	Gen	(456,094,191)	(1,079,525)	(457,173,716)							
58	General	Corp	(182,149)	-	(182,149)							
59												
60	Total 282	dist	(212,585,315)	(1,844,012)	(214,429,327)							
61	Total 282	trans	(100,475,371)	(1,256,743)	(101,732,114)							
62	Total 282	Gen	(492,779,062)	855,227	(491,923,835)							
63	Total 282	Corp	(182,149)	-	(182,149)							
64												
65	Total 282	Total PNM	(806,021,897)	(2,245,528)	(808,267,425)							
66												
67	ULD		-	-	-							

Remainder to be allocated by function
 Remainder to be allocated by function
 Remainder to be allocated by function
 Remainder to be allocated by function

A	B	C	D	E	F	G	H	I	J	K	L	
1	<u>PNM Exhibit MFH-2</u>											
2	ADIT-10: MDCs - Other Rate Base											
3	<u>Hyperlink to Lead Sheet</u>											
4	Base period: Company Records											
5	See testimony of PNM Witness Monroe regarding Other Rate Base Items											
6				2013	2014	2014	2014	2014	2014	2014	2014	
7	Other Rate Base Items	TAX CLASS	Acct #	December	January	February	March	April	May	June	July	
8												
9	ARO Liability - Production			(65,772,386)	(66,202,686)	(66,647,087)	(67,087,574)	(67,530,899)	(67,977,381)	(68,477,399)	(68,929,998)	
10	ARO Liability - Transmission											
11	ARO Liability - Distribution			(1,373,255)	(1,382,622)	(1,392,054)	(1,401,550)	(1,411,110)	(1,420,736)	(1,430,428)	(1,440,186)	
12	ARO Liability - PV 3			(28,079,225)	(28,269,868)	(28,464,545)	(28,657,415)	(28,851,595)	(29,047,091)	(29,243,914)	(29,442,072)	
13	Injuries and Damages PNM			(10,400,300)	(10,482,083)	(10,496,638)	(10,553,858)	(10,642,798)	(10,621,342)	(10,171,010)	(10,334,189)	
14	AMPP - Expense In Excess of Funding			(5,908,286)	(6,508,286)	(6,908,286)	(6,908,286)	(6,908,286)	(6,908,286)	(6,685,357)	(6,685,357)	
15	PV 1&2 Dry Cask Storage			(8,011,019)	(8,030,849)	(8,060,375)	(8,099,904)	(8,061,372)	(8,094,222)	(8,106,135)	(8,183,060)	
16	PV 3 Dry Cask Storage			(3,890,938)	(3,900,788)	(3,915,494)	(3,935,170)	(3,928,679)	(3,949,327)	(3,955,305)	(3,993,771)	
17	PV 1&2 Excess Gain Amortization			(743,636)	(730,473)	(717,310)	(704,347)	(690,984)	(677,821)	(664,658)	(651,495)	
18	NMITC Renewable Credit Solar											
19	High Lonesome Mesa -											
20	Unamortized Gain on EIP			(233,174)	(216,519)	(199,864)	(183,208)	(166,553)	(149,898)	(133,242)	(116,587)	
21	EIP Acquisition Adjustment											
22	PV 1&2 Acquisition Adjustment											
23	Prepaid Pension Asset			132,955,869	156,589,763	166,589,763	166,589,763	166,589,763	165,379,278	165,379,278		
24	Unamortized Loss on Reacquired Debt			8,826,828	8,794,236	8,761,644	8,729,053	8,663,870	8,631,278	8,598,687	8,566,096	
25	Rate Case Expense			-	-	-	-	-	7,313	25,316	38,912	
26	PV2 Lease Acquisition Adjustment											
27	Total Other Rate Base Items			15,370,478	49,259,826	48,549,756	47,787,704	47,061,256	46,382,249	45,135,833	44,207,572	
28												
29												
30												
31	ADIT combined Fed & state rate			39.59%	39.42%	39.42%	39.42%	39.42%	39.42%	39.42%	39.42%	
32												
33												
34	Recalculated ADIT on Reg asset/liabs											
35												
36	ARO Liability - Production	Asset Retirement Obligation		25,039,288	26,208,912	26,384,095	26,557,735	26,732,533	26,908,497	27,105,604	27,284,018	
37	ARO Liability - Transmission	Asset Retirement Obligation		-	-	-	-	-	-	-	-	
38	ARO Liability - Distribution	Asset Retirement Obligation		543,672	547,354	551,082	554,825	558,594	562,389	566,209	570,056	
39	ARO Liability - PV 3	Asset Retirement Obligation		11,116,565	11,131,717	11,268,458	11,344,488	11,421,033	11,498,098	11,575,686	11,653,795	
40	Injuries and Damages PNM	INJURY & DAMAGES		4,117,479	4,149,717	4,155,455	4,178,011	4,213,071	4,204,614	4,027,093	4,091,418	
41	AMPP - Expense In Excess of Funding	Pension AMPP		2,734,990	2,734,990	2,734,990	2,734,990	2,734,990	2,734,990	2,647,112	2,647,112	
42	PV 1&2 Dry Cask Storage	Palo Verde Dry Cask Storage 1 & 2		3,171,563	3,179,379	3,191,019	3,206,601	3,191,411	3,204,361	3,209,057	3,239,381	
43	PV 3 Dry Cask Storage	Palo Verde Dry Cask Storage 3		1,540,422	1,544,305	1,550,102	1,557,859	1,555,300	1,563,439	1,565,796	1,580,959	
44	PV 1&2 Excess Gain Amortization	Palo Verde Gain 1 & 2		284,405	289,217	284,028	278,839	273,650	268,461	263,272	258,083	
45	NMITC Renewable Credit Solar											
46	High Lonesome Mesa -											
47	Unamortized Gain on EIP	Eastern Interconnect Project Gain		92,314	85,748	79,183	72,617	66,052	59,486	52,921	46,355	
48	EIP Acquisition Adjustment											
49	PV 1&2 Acquisition Adjustment											
50	Prepaid Pension Asset	Pension Qualified		(52,637,229)	(65,895,710)	(65,895,710)	(65,895,710)	(65,895,710)	(65,895,710)	(65,418,536)	(65,418,536)	
51	Unamortized Loss on Reacquired Debt	Loss on Reacquired Debt		(3,494,541)	(3,481,693)	(3,468,846)	(3,455,998)	(3,430,303)	(3,417,455)	(3,404,608)	(3,391,761)	
52	Rate Case Expense	Rate Case Expense		-	-	-	-	-	(2,883)	(9,980)	(15,339)	
53	PV2 Lease Acquisition Adjustment											
54	Total ADIT Other Rate Base Items			-	(6,481,072)	(19,446,059)	(19,166,144)	(18,865,743)	(18,579,377)	(18,311,712)	(17,820,375)	(17,454,455)

A	B	M	N	O	P	Q	R	S	T	U
1	PNM Exhibit MFH-2									
2	ADIT-10: MDCs - Other Rate Base									
3	Hyperlink to Lead Sheet									
4	Base period: Company Records									
5	See testimony of PNM Witness Monr									
6		2014	2014	2014	2014	2014	2015	2015	2015	Base Period
7	Other Rate Base Items	August	September	October	November	December	January	February	March	Adjustments
8										
9	ARO Liability - Production	(69,385,615)	(69,844,270)	(70,305,984)	(70,770,778)	(71,238,671)	(71,709,685)	(72,183,841)	(72,661,160)	58,511,295
10	ARO Liability - Transmission	-	-	-	-	-	-	-	-	
11	ARO Liability - Distribution	(1,450,010)	(1,459,901)	(1,469,860)	(1,479,886)	(1,489,981)	(1,500,145)	(1,510,378)	(1,520,682)	
12	ARO Liability - PV 3	(29,641,574)	(29,842,430)	(30,044,648)	(30,248,238)	(30,453,209)	(30,659,571)	(30,867,333)	(31,076,504)	31,076,504
13	Injuries and Damages PNM	(10,258,584)	(10,008,322)	(9,854,302)	(9,650,883)	(8,716,412)	(8,657,670)	(8,657,830)	(8,238,280)	
14	AMPP - Expense in Excess of Funding	(6,685,857)	(6,684,926)	(6,864,926)	(6,864,926)	(6,984,495)	(6,984,496)	(6,984,496)	(6,626,055)	
15	PV 1&2 Dry Cask Storage	(8,184,775)	(8,167,529)	(8,223,705)	(8,240,233)	(8,276,600)	(8,280,341)	(8,254,245)	(8,309,250)	8,309,250
16	PV 3 Dry Cask Storage	(3,994,866)	(3,986,270)	(4,024,593)	(4,042,699)	(4,060,659)	(4,062,231)	(4,048,890)	(4,076,302)	4,076,302
17	PV 1&2 Excess Gain Amortization	(638,832)	(625,169)	(612,006)	(598,843)	(585,580)	(571,586)	(559,494)	(547,399)	
18	NMTC Renewable Credit Solar									
19	High Lonesome Mesa -									
20	Unamortized Gain on EIP	(99,932)	(83,276)	(66,621)	(49,966)	(33,310)	(16,655)	0	0	
21	EIP Acquisition Adjustment									
22	PV 1&2 Acquisition Adjustment									
23	Prepaid Pension Asset	165,879,278	164,774,035	164,774,035	164,774,035	164,168,792	164,168,792	164,168,792	181,164,839	
24	Unamortized Loss on Reacquired Debt	8,553,504	8,500,913	8,468,321	8,435,730	8,403,138	8,370,546	8,337,955	8,305,363	
25	Rate Case Expense	77,056	129,766	227,978	460,738	783,315	843,210	857,650	952,849	
26	PV2 Lease Acquisition Adjustment									
27	Total Other Rate Base Items	43,650,795	42,522,621	42,003,590	41,724,071	41,516,228	40,960,168	40,297,789	57,367,421	101,973,351
28										
29										
30										
31	ADIT combined Fed & state rate	39.42%	39.42%	39.42%	39.42%	39.42%	39.20%	39.20%	39.20%	Pro Rata
32										
33										
34	Recalculated ADIT on Reg asset/liabs									
35										
36	ARO Liability - Production	27,453,622	27,644,424	27,826,432	28,009,654	28,194,087	28,378,735	28,564,604	28,751,713	(23,152,671)
37	ARO Liability - Transmission	-	-	-	-	-	-	-	-	-
38	ARO Liability - Distribution	573,928	577,827	581,753	585,706	589,685	593,669	597,681	601,720	-
39	ARO Liability - PV 3	11,732,443	11,811,620	11,891,335	11,971,590	12,052,390	12,133,284	12,214,726	12,296,721	(12,296,721)
40	Injuries and Damages PNM	4,061,614	3,962,961	3,902,246	3,822,058	3,453,690	3,422,823	3,430,726	3,266,262	-
41	AMPP - Expense in Excess of Funding	2,647,112	2,717,898	2,717,898	2,717,898	2,765,032	2,765,032	2,765,032	2,624,524	-
42	PV 1&2 Dry Cask Storage	3,240,057	3,233,258	3,255,403	3,261,911	3,276,254	3,277,721	3,267,491	3,289,053	(3,289,053)
43	PV 3 Dry Cask Storage	1,581,391	1,578,002	1,593,109	1,600,246	1,607,326	1,607,943	1,602,752	1,613,458	(1,613,458)
44	PV 1&2 Excess Gain Amortization	252,895	247,706	242,517	237,328	232,139	226,614	221,874	217,133	-
45	NMTC Renewable Credit Solar									
46	High Lonesome Mesa -									
47	Unamortized Gain on EIP	39,789	33,224	26,658	20,093	13,527	6,998	(0)	(0)	-
48	EIP Acquisition Adjustment									
49	PV 1&2 Acquisition Adjustment									
50	Prepaid Pension Asset	(65,418,536)	(65,179,950)	(65,179,950)	(65,179,950)	(64,941,363)	(64,941,363)	(64,941,363)	(71,603,813)	-
51	Unamortized Loss on Reacquired Debt	(3,378,913)	(3,356,065)	(3,353,218)	(3,340,370)	(3,327,523)	(3,314,747)	(3,301,971)	(3,289,195)	-
52	Rate Case Expense	(30,375)	(51,154)	(89,830)	(181,623)	(308,783)	(332,262)	(337,922)	(375,240)	-
53	PV2 Lease Acquisition Adjustment									
54	Total ADIT Other Rate Base Items	(17,234,973)	(16,790,247)	(16,585,645)	(16,475,459)	(16,393,527)	(16,175,551)	(15,916,369)	(22,607,665)	(40,351,804)

A	B	V	W	X	Y	Z	AA	AB
1	PNM Exhibit MFH-2							
2	ADIT-10: MDCs - Other Rate Base							
3	j Hyperlink to Lead Sheet							
4	Base period: Company Records							
5	See testimony of PNM Witness Monr							
6		Adjusted		2015		2016	Test Period	Adjusted
7	Other Rate Base Items	Base Period		Sept		Sept	Adjustments	Test Period
8								
9	ARO Liability - Production	(14,149,864)		(12,919,459)		(13,787,125)		(13,787,125)
10	ARO Liability - Transmission	-						-
11	ARO Liability - Distribution	(1,520,682)		(1,582,437)		(1,192,455)		(1,192,455)
12	ARO Liability - PV 3	-						-
13	Injuries and Damages PNM	(8,238,280)		(8,238,280)		(8,238,280)		(8,238,280)
14	AMPP - Expense in Excess of Funding	(6,626,055)		(6,497,523)		(6,222,834)		(6,222,834)
15	PV 1&2 Dry Cask Storage	(0)						-
16	PV 3 Dry Cask Storage	0						-
17	PV 1&2 Excess Gain Amortization	(547,399)		(474,845)		(390,856)		(390,856)
18	NMITC Renewable Credit Solar							
19	High Lonesome Mesa -							
20	Unamortized Gain on EIP	0						-
21	EIP Acquisition Adjustment							
22	PV 1&2 Acquisition Adjustment							
23	Prepaid Pension Asset	181,164,839		180,356,932		177,244,434	(22,000,000)	155,244,434
24	Unamortized Loss on Reacquired Debt	8,305,363		8,109,814		7,718,715		7,718,715
25	Rate Case Expense	952,849		4,034,109		2,017,054		2,017,054
26	PV2 Lease Acquisition Adjustment	-				60,049,993		60,049,993
27	Total Other Rate Base Items	159,340,772		162,788,311		217,198,646	(22,000,000)	195,198,646
28								
29								
30								
31	ADIT combined Fed & state rate			39.20%		39.02%	Pro Rata	
32								
33								
34	Recalculated ADIT on Reg asset/liabs		Linkage Period		Test Period			
35		ADIT change		ADIT Change				
36	ARO Liability - Production	5,599,041	(482,319)	\$,116,722	338,854	\$,455,676	-	5,455,676
37	ARO Liability - Transmission	-	-	-	-	-		-
38	ARO Liability - Distribution	601,720	24,208	625,928	(152,346)	473,581	-	473,581
39	ARO Liability - PV 3	-	-	-	-	-		-
40	Injuries and Damages PNM	3,266,262	0	3,266,262	-	3,266,262	-	3,266,262
41	AMPP - Expense In Excess of Funding	2,624,524	(50,385)	2,574,139	(107,307)	2,466,832	-	2,466,832
42	PV 1&2 Dry Cask Storage	0	(0)	0	-	0		0
43	PV 3 Dry Cask Storage	(0)	0	(0)	-	(0)		(0)
44	PV 1&2 Excess Gain Amortization	217,133	(28,441)	188,692	(32,810)	155,882	-	155,882
45	NMITC Renewable Credit Solar	-	-	-	-	-		-
46	High Lonesome Mesa -	-	-	-	-	-		-
47	Unamortized Gain on EIP	(0)	0	(0)	-	(0)		(0)
48	EIP Acquisition Adjustment							-
49	PV 1&2 Acquisition Adjustment							-
50	Prepaid Pension Asset	(71,603,813)	316,700	(71,287,114)	1,215,897	(70,071,216)	8,697,406	(61,373,811)
51	Unamortized Loss on Reacquired Debt	(3,289,195)	76,655	(3,212,540)	152,783	(3,059,757)	-	(3,059,757)
52	Rate Case Expense	(375,240)	(1,207,854)	(1,583,094)	787,963	(795,131)	-	(795,131)
53	PV2 Lease Acquisition Adjustment							-
54	Total ADIT Other Rate Base Items	(62,959,569)	(1,351,435)	(64,311,004)	2,203,132	(62,107,872)	8,697,406	(53,410,466)

A	B	C	D	E	F	G	H	I	J	K	L
1	PNM Exhibit MFH-2										
2	ADIT-11: MDCs - Regulatory Asset/Liabilities										
3	Hyperlink to Lead Sheet										
4	Base period: Company Records										
5	See testimony of PNM Witness Monroy regarding Reg assets & liabilities										
6				2013	2014	2014	2014	2014	2014	2014	2014
7	Regulatory Assets & Liabilities	Tax Class	Acct #	December	January	February	March	April	May	June	July
8											
9											
10	Coal Mine Decommissioning-Surface		182301	39,215,696	38,725,500	38,235,304	37,745,108	37,254,912	36,754,716	36,274,520	35,784,324
11	PV 1&2 Prudence Audit		254025	(471,767)	(444,837)	(417,906)	(390,974)	(364,045)	(337,114)	(310,183)	(283,252)
12	PV 1&2 Combustion Engineering		254024	(355,322)	(349,399)	(343,476)	(337,553)	(331,630)	(325,707)	(319,784)	(313,851)
13	Palo Verde DOE Spent Fuel Refund		254375	(296,444)	(259,389)	(222,333)	(185,278)	(148,222)	(111,167)	(74,111)	(37,055)
14	Deferred Coal Costs		182368	4,516,931	4,069,209	3,847,560	3,593,818	3,367,040	3,130,897	2,901,668	2,566,854
15	Reg Asset LVGS Decommission		182371	215,626	217,744	219,884	222,044	224,225	226,428	228,653	230,900
16	Reg Liab LVGS Decommission		254363	(1,186,612)	(1,198,271)	(1,210,044)	(1,221,933)	(1,233,938)	(1,246,062)	(1,258,304)	(1,270,667)
17	PCB Refinancing Hedge		182303	17,203,548	17,233,177	17,162,807	17,092,436	17,022,066	16,951,693	16,881,325	16,810,954
18	Reg Liab Renewables Fed Grant		254380								
19	Reg Liab Renewables St Credit		254381	(4,233,781)	(4,217,611)	(4,201,441)	(4,185,271)	(4,169,101)	(4,152,931)	(4,135,761)	(4,120,591)
20	Alvarado Square Lease		182314	3,834,986	3,834,986	3,834,986	3,834,986	3,834,986	3,834,986	3,834,986	3,834,986
21	TOU										
22	ARO Liability										
23	Total Regulatory Assets and Liabilities			58,542,861	57,611,109	56,905,341	56,167,383	55,456,293	54,735,742	54,022,008	53,302,591
24											
25											
26											
27	ADIT combined Fed & state rate			39.59%	39.42%	39.42%	39.42%	39.42%	39.42%	39.42%	39.42%
28											
29											
30	Recalculated ADIT on Reg asset/liabs										
31											
32	Coal Mine Decommissioning-Surface	Coal Mine Decommissioning		(15,525,494)	(15,332,259)	(15,139,024)	(14,945,788)	(14,752,553)	(14,555,318)	(14,356,082)	(14,172,847)
33	PV 1&2 Prudence Audit	Palo Verde Prudence Audit 1 & 2		104,126	98,207	92,289	86,370	80,452	74,533	68,615	62,696
34	PV 1&2 Combustion Engineering	Palo Verde Construction Credits 1 & 2		140,672	138,337	136,002	133,667	131,333	128,998	126,663	124,328
35	Palo Verde DOE Spent Fuel Refund	DOE Spent Fuel Settlement		117,352	102,755	88,148	73,541	58,933	44,326	29,718	15,111
36	Deferred Coal Costs	Deferred Coal Costs		(1,788,253)	(1,611,761)	(1,524,387)	(1,424,362)	(1,334,966)	(1,241,878)	(1,151,516)	(1,058,953)
37	Reg Asset LVGS Decommission	LVGS Decommissioning		(85,366)	(86,201)	(87,045)	(87,896)	(88,756)	(89,625)	(90,502)	(91,387)
38	Reg Liab LVGS Decommission	LVGS Decommissioning		469,780	474,376	479,017	483,703	488,436	493,213	498,041	502,914
39	PCB Refinancing Hedge	PCB Refinancing		(6,850,475)	(6,822,734)	(6,794,995)	(6,767,254)	(6,739,514)	(6,711,774)	(6,684,034)	(6,656,294)
40	Reg Liab Renewables Fed Grant										
41	Reg Liab Renewables St Credit	Renewable NM AETC		1,676,154	1,669,780	1,663,405	1,657,031	1,650,657	1,644,283	1,637,909	1,631,535
42	Alvarado Square Lease	Alvarado Square Abandonment		(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)
43	TOU Reg asset/liab	TOU Reg asset/liab									
44	ARO Liability	Asset Retirement Obligation									
45	Total Regulatory Assets and Liabilities			(23,259,766)	(22,887,771)	(22,604,860)	(22,309,259)	(22,024,250)	(21,735,511)	(21,449,460)	(21,161,168)

A	B	M	N	O	P	Q	R	S	T	U	V
1	PNM Exhibit MPH-2										
2	ADIT-11: MDCs - Regulatory Asset/Liabilities										
3	Hyperlink to Lead Sheet										
4	Base period: Company Records										
5	See testimony of PNM Witness Monroy regarding										
6		2014	2014	2014	2014	2014	2015	2015	2015		
7	Regulatory Assets & Liabilities	August	September	October	November	December	January	February	March	Base Period Adjustments	Adjusted Base Period
8											
9											
10	Coal Mine Decommissioning-Surface	35,294,128	34,803,932	34,313,736	33,823,540	33,333,344	32,843,148	32,352,952	31,862,756	(22,067,921)	9,794,835
11	PV 1&2 Prudence Audit	(256,522)	(229,391)	(202,460)	(175,530)	(148,599)	(129,793)	(118,487)	(107,181)	-	(107,181)
12	PV 1&2 Combustion Engineering	(307,938)	(302,015)	(296,092)	(290,169)	(284,246)	(278,323)	(272,400)	(266,477)	-	(266,477)
13	Palo Verde DOE Spent Fuel Refund	0	0	0	(3,625,098)	(3,625,098)	(3,625,098)	(3,625,098)	(3,625,098)	(5,653,781)	22,157
14	Deferred Coal Costs	2,432,592	2,204,506	1,969,713	1,740,659	1,503,026	1,247,772	1,247,772	1,247,772	-	1,247,772
15	Reg Asset LVGS Decommission	233,168	235,459	237,772	240,109	242,468	244,850	247,256	249,685	-	249,685
16	Reg Liab LVGS Decommission	(1,283,151)	(1,295,758)	(1,308,489)	(1,321,345)	(1,334,327)	(1,347,437)	(1,360,675)	(1,374,044)	-	(1,374,044)
17	PCB Refinancing Hedge	16,740,584	16,670,213	16,599,843	16,529,472	16,459,102	16,388,731	16,318,361	16,247,990	-	16,247,990
18	Reg Liab Renewables Fed Grant										
19	Reg Liab Renewables St Credit	(4,104,421)	(4,088,251)	(4,072,081)	(4,055,911)	(4,039,741)	(4,023,571)	(4,007,401)	(3,991,231)	-	(3,991,231)
20	Alvarado Square Lease	3,834,986	3,834,986	3,834,986	3,834,986	3,834,986	3,834,986	3,834,986	3,834,986	-	3,834,986
21	TOU										
22	ARO Liability										
23	Total Regulatory Assets and Liabilities	52,583,626	51,893,681	51,076,928	46,700,713	45,940,914	45,155,265	44,617,265	42,050,475	(22,045,764)	20,004,711
24											
25											
26											
27	ADIT combined Fed & state rate	39.42%	39.42%	39.42%	39.42%	39.42%	39.20%	39.20%	39.20%	Pro-rata	
28											
29											
30	Recalculated ADIT on Reg asset/liabs										
31											
32	Coal Mine Decommissioning-Surface	(13,979,612)	(13,786,377)	(13,593,141)	(13,399,906)	(13,206,671)	(13,014,514)	(12,822,357)	(12,630,200)	8,747,588	(3,882,612)
33	PV 1&2 Prudence Audit	56,778	50,860	44,941	39,023	33,104	28,994	26,523	24,053	-	24,053
34	PV 1&2 Combustion Engineering	121,993	119,658	117,324	114,989	112,654	110,332	108,010	105,688	-	105,688
35	Palo Verde DOE Spent Fuel Refund	(0)	(0)	(0)	1,429,014	1,429,014	1,429,014	1,429,014	2,224,257	(8,717)	2,215,541
36	Deferred Coal Costs	(966,607)	(876,695)	(784,140)	(593,847)	(600,172)	(500,112)	(500,112)	(500,112)	-	(500,112)
37	Reg Asset LVGS Decommission	(92,281)	(93,185)	(94,096)	(95,017)	(95,947)	(96,881)	(97,824)	(98,776)	-	(98,776)
38	Reg Liab LVGS Decommission	507,835	512,805	517,824	522,891	528,009	533,148	538,338	543,578	-	543,578
39	PCB Refinancing Hedge	(6,628,554)	(6,600,814)	(6,573,074)	(6,545,334)	(6,517,594)	(6,490,009)	(6,462,424)	(6,434,838)	-	(6,434,838)
40	Reg Liab Renewables Fed Grant										
41	Reg Liab Renewables St Credit	1,625,160	1,618,786	1,612,412	1,606,038	1,599,663	1,593,325	1,586,986	1,580,648	-	1,580,648
42	Alvarado Square Lease	(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	(1,518,271)	-	(1,518,271)
43	TOU Reg asset/liab										-
44	ARO Liability										-
45	Total Regulatory Assets and Liabilities	(20,873,558)	(20,573,232)	(20,270,222)	(18,540,421)	(18,236,211)	(17,924,974)	(17,712,117)	(16,703,974)	8,738,871	(7,965,103)

A	B	W	X	Y	Z	AA	AB	AC	AD	AE
1	PNM Exhibit MFH-2									
2	ADIT-11: MDCs - Regulatory Asset/Liabilities									
3	Hyperlink to Lead Sheet									
4	Base period: Company Records									
5	See testimony of PNM Witness Monroy regarding ADIT-11									
6		2015	2015	2015	2015	2015	2016	2016	2016	2016
7	Regulatory Assets & Liabilities	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
8										
9										
10	Coal Mine Decommissioning-Surface	8,890,697	8,740,007	8,589,317	8,438,627	8,287,938	8,137,248	7,986,558	7,835,868	
11	PV 1&2 Prudence Audit	(39,345)	(28,039)	(16,733)	(5,427)	0	0	0	0	
12	PV 1&2 Combustion Engineering	(230,939)	(225,016)	(219,093)	(213,170)	(207,247)	(201,324)	(195,401)	(189,478)	
13	Palo Verde DOE Spent Fuel Refund	(5,631,624)	(5,396,973)	(5,162,322)	(4,927,671)	(4,693,020)	(4,458,369)	(4,223,718)	(3,989,067)	
14	Deferred Coal Costs	719,159	623,886	531,686	436,413	341,140	255,086	159,813	67,613	
15	Reg Asset LVGS Decommission	264,770	253,738	242,706	231,674	220,642	209,610	198,578	187,545	
16	Reg Liab LVGS Decommission	(1,437,060)	(1,396,349)	(1,335,538)	(1,274,927)	(1,214,216)	(1,153,506)	(1,092,795)	(1,032,084)	
17	PCB Refinancing Hedge	15,825,768	15,755,397	15,685,027	15,614,656	15,544,286	15,473,915	15,403,545	15,333,174	
18	Reg Liab Renewables Fed Grant									
19	Reg Liab Renewables St Credit	(3,894,211)	(3,878,041)	(3,861,871)	(3,845,701)	(3,829,531)	(3,813,351)	(3,797,191)	(3,781,021)	
20	Alvarado Square Lease	3,834,986	3,771,070	3,707,153	3,643,237	3,579,320	3,515,404	3,451,487	3,387,571	
21	TOU	250,000	239,583	229,167	218,750	208,833	197,917	187,500	177,083	
22	ARO Liability		(118,637)	(237,274)	(355,912)	(474,549)	(593,186)	(711,823)	(630,461)	
23	Total Regulatory Assets and Liabilities	18,532,200	18,340,626	18,152,124	17,960,549	17,763,095	17,569,434	17,366,553	17,166,745	
24										
25										
26										
27	ADIT combined Fed & state rate	39.20%	39.20%	39.20%	39.20%	39.20%	39.02%	39.02%	39.02%	39.02%
28										
29										
30	Recalculated ADIT on Reg asset/liabs	Linkage Period								
31		ADIT change								
32	Coal Mine Decommissioning-Surface	354,422	(3,528,190)	(3,469,120)	(3,410,049)	(3,350,979)	(3,292,180)	(3,233,381)	(3,174,581)	(3,115,782)
33	PV 1&2 Prudence Audit	(14,825)	9,228	6,757	4,286	1,815	-	-	-	-
34	PV 1&2 Combustion Engineering	(13,931)	91,757	89,436	87,114	84,792	82,481	80,170	77,859	75,547
35	Palo Verde DOE Spent Fuel Refund	(0)	2,215,540	2,123,557	2,031,574	1,939,591	1,848,030	1,756,469	1,664,908	1,573,348
36	Deferred Coal Costs	207,216	(292,896)	(255,549)	(219,406)	(182,059)	(144,884)	(111,306)	(74,130)	(38,154)
37	Reg Asset LVGS Decommission	(5,913)	(104,690)	(100,365)	(96,041)	(91,716)	(87,411)	(83,107)	(78,802)	(74,497)
38	Reg Liab LVGS Decommission	32,542	576,120	552,322	528,523	504,724	481,035	457,346	433,656	409,967
39	PCB Refinancing Hedge	165,511	(6,269,327)	(6,241,742)	(6,214,156)	(6,186,571)	(6,159,113)	(6,131,654)	(6,104,196)	(6,076,737)
40	Reg Liab Renewables Fed Grant	-								
41	Reg Liab Renewables St Credit	(38,032)	1,542,616	1,536,277	1,529,938	1,523,600	1,517,290	1,510,981	1,504,671	1,498,362
42	Alvarado Square Lease	-	(1,518,271)	(1,493,216)	(1,468,160)	(1,443,105)	(1,418,165)	(1,393,225)	(1,368,285)	(1,343,344)
43	TOU Reg asset/liab	(98,000)	(98,000)	(93,917)	(89,833)	(85,750)	(81,685)	(77,621)	(73,556)	(69,492)
44	ARO Liability	-	-	46,506	93,012	139,517	185,810	232,102	278,394	324,686
45	Total Regulatory Assets and Liabilities	588,991	(7,376,112)	(7,299,053)	(7,223,200)	(7,146,141)	(7,068,792)	(6,993,226)	(6,914,052)	(6,836,097)

A	B	AF	AG	AH	AI	AJ	AK	AL	AM
1	PNM Exhibit MFH-2								
2	ADIT-11: MDCs - Regulatory Asset/Liabilities								
3	Hyperlink to Lead Sheet								
4	Base period: Company Records								
5	See testimony of PNM Witness Monroy regarding the ADIT-11								
6		2016	2016	2016	2016		2016		
7	Regulatory Assets & Liabilities	May	Jun	Jul	Aug		Sept	Test Period Adjustments	Adjusted Test Period
8									
9									
10	Coal Mine Decommissioning-Surface	7,685,178	7,534,489	7,383,799	7,233,109		7,082,419		7,082,419
11	PV 1&2 Prudence Audit	0	0	0	0		-		-
12	PV 1&2 Combustion Engineering	(183,555)	(177,632)	(171,709)	(165,786)		(159,863)		(159,863)
13	Palo Verde DOE Spent Fuel Refund	(3,754,418)	(3,519,765)	(3,285,114)	(3,050,463)		(2,815,812)		(2,815,812)
14	Deferred Coal Costs	0	0	0	0		-		-
15	Reg Asset LVGS Decommission	176,513	165,481	154,449	143,417		132,385		132,385
16	Reg Liab LVGS Decommission	(971,373)	(910,662)	(849,952)	(789,241)		(728,530)		(728,530)
17	PCB Refinancing Hedge	15,252,804	15,192,433	15,122,063	15,051,692		14,981,322		14,981,322
18	Reg Liab Renewables Fed Grant						-		-
19	Reg Liab Renewables St Credit	(3,754,851)	(3,748,681)	(3,732,511)	(3,716,341)		(3,700,171)		(3,700,171)
20	Alvarado Square Lease	3,323,655	3,259,738	3,195,822	3,131,905		3,067,989		3,067,989
21	TOU	166,667	156,250	145,833	135,417		125,000	(125,000)	-
22	ARO Liability	(949,098)	(1,067,735)	(1,186,372)	(1,305,009)		(1,423,647)		(1,423,647)
23	Total Regulatory Assets and Liabilities	16,991,524	16,883,916	16,775,308	16,668,700		16,561,092	(125,000)	16,436,092
24									
25									
26									
27	ADIT combined Fed & state rate	39.02%	39.02%	39.02%	39.02%	39.02%	39.02%	Pro-rata	
28									
29									
30	Recalculated ADIT on Reg asset/liabs					Test Period ADIT Change			
31									
32	Coal Mine Decommissioning-Surface	(3,056,983)	(2,998,184)	(2,939,385)	(2,880,586)	705,404	(2,821,787)	-	(2,821,787)
33	PV 1&2 Prudence Audit	-	-	-	-	(9,228)	-	-	-
34	PV 1&2 Combustion Engineering	73,236	70,925	68,614	66,303	(27,766)	63,992	-	63,992
35	Palo Verde DOE Spent Fuel Refund	1,481,787	1,390,226	1,298,665	1,207,104	(1,099,997)	1,115,544	-	1,115,544
36	Deferred Coal Costs	-	-	-	-	292,895	0	0	0
37	Reg Asset LVGS Decommission	(70,193)	(65,888)	(61,583)	(57,278)	51,716	(52,974)	-	(52,974)
38	Reg Liab LVGS Decommission	386,277	362,588	338,898	315,209	(284,600)	291,520	-	291,520
39	PCB Refinancing Hedge	(6,049,278)	(6,021,820)	(5,994,361)	(5,966,903)	329,883	(5,939,444)	-	(5,939,444)
40	Reg Liab Renewables Fed Grant								
41	Reg Liab Renewables St Credit	1,492,052	1,485,743	1,479,433	1,473,124	(75,802)	1,466,814	-	1,466,814
42	Alvarado Square Lease	(1,318,404)	(1,293,464)	(1,268,524)	(1,243,584)	299,627	(1,218,644)	-	(1,218,644)
43	TOU Reg asset/liab	(65,427)	(61,363)	(57,298)	(53,233)	48,831	(49,159)	49,169	-
44	ARO Liability	370,979	417,271	468,563	509,855	556,148	556,148		556,148
45	Total Regulatory Assets and Liabilities	(6,755,954)	(6,713,966)	(6,671,977)	(6,629,989)	788,112	(6,588,000)	49,169	(6,538,831)

A	B	C	D	E	F	G	H	I	J
1 PNM Exhibit MFH-2									
2 ADIT-12: Linkage & Test Depreciation ADIT									
3 Hyperlink to Lead Sheet									
4 See PNM Exhibit MFH-5			FY15						
5	PNM	Adjusted Base	Apr	May	Jun	Jul	Aug	Sep	Oct
6	<u>Book Depreciation Expense</u>								
7	Generation		3,161,600.07	3,173,422.80	3,172,858.45	3,184,194.85	3,186,744.55	3,191,740.35	3,853,740.51
8	Renewable generation - pre 2015		528,041.83	528,041.83	528,041.83	528,041.83	528,041.83	528,041.83	533,297.85
9	Renewable generation - 2015		-	4,688.46	4,688.46	4,688.46	4,688.46	4,688.46	4,688.46
10	PV3 generation		359,810.35	360,422.30	366,166.50	368,416.69	368,463.84	368,730.98	390,879.96
11	Transmission		1,122,506.61	1,171,844.79	1,180,643.96	1,190,331.90	1,198,315.45	1,203,852.61	1,473,557.72
12	HLM transmission		40,675.56	40,675.56	40,675.56	40,675.56	40,675.56	40,675.56	52,577.11
13	PV3 transmission		16,861.37	16,875.57	17,008.83	17,057.41	17,058.51	17,064.70	19,549.39
14	Distribution		2,826,173.05	2,841,239.84	2,833,384.37	2,819,915.33	2,825,029.30	2,830,557.45	2,998,904.12
15	Renewable distribution		30,013.33	30,013.33	30,013.33	30,013.33	30,013.33	30,013.33	32,426.89
16	General		885,059.04	875,013.78	845,404.39	766,695.03	712,970.54	708,592.40	946,614.18
17	Corporate Allocation		-	-	-	-	-	-	-
18	Nuc Fuel 1&2		1,455,752.06	1,504,277.25	1,455,752.00	1,504,277.13	1,504,277.25	1,455,751.94	982,542.19
19	Nuc Fuel 3		71,262.65	498,838.22	712,626.00	736,380.25	736,380.19	712,626.00	736,380.31
20									
21	Total Book		10,497,756	11,045,354	11,187,264	11,190,688	11,152,659	11,092,336	12,025,259
22	Add: EIP acquisition amort (ORB)		48,831.00	48,831.00	48,831.00	48,831.00	48,831.00	48,831.00	48,831.00
23	Add: PV acquisition amort (ORB)		30,426.00	30,426.00	30,426.00	30,426.00	30,426.00	30,426.00	30,426.00
24	Add: PV 2 lease acquis amort (OA)		-	-	-	-	-	-	-
25	Less: corp allocation		-	-	-	-	-	-	-
26	total Book before corp alloc		10,577,013	11,124,611	11,266,521	11,269,945	11,231,916	11,171,593	12,104,516
27									
28									
29	<u>Tax Depreciation Expense on Additions</u>								
30	Generation		149,097.12	187,122.28	236,438.32	238,619.88	244,956.68	277,175.28	294,753.79
31	Renewable generation- 2015		33,810.22	32,699.38	30,553.63	25,878.95	17,505.52	4,930.85	(14,756.02)
32	PV3 generation		807.81	19,936.57	47,427.82	47,162.10	47,794.54	48,270.48	49,675.06
33	Transmission		101,218.99	104,046.20	117,786.17	118,132.20	147,754.09	165,858.11	474,955.20
34	HLM transmission		-	-	-	-	-	-	-
35	PV3 transmission		-	-	-	-	-	-	-
36	Distribution		56,835.60	68,399.28	102,206.22	131,786.40	153,187.98	188,338.92	331,026.90
37	Renewable distribution		-	-	-	-	-	-	-
38	General		34,892.53	43,621.13	70,624.45	76,419.89	82,182.12	96,775.07	317,494.30
39	Corporate Allocation		-	-	-	-	-	-	-
40	Nuc Fuel 1&2		239,416.14	239,638.64	244,695.78	319,709.12	324,549.12	555,104.12	571,370.78
41	Nuc Fuel 3		38,479.68	38,552.18	41,037.89	41,234.56	43,794.56	315,059.56	323,126.22
42									
43	Total Tax on Additions		654,058	734,016	890,870	998,943	1,061,725	1,651,512	2,347,546
44									
45	<u>Tax Depreciation Expense on Existing plant</u>								
46	Generation		4,590,703.76	4,590,703.76	4,590,703.76	4,590,703.76	4,590,703.76	4,590,703.76	4,590,703.76
47	Renewable generation - pre 2015		811,862.70	811,862.70	811,862.70	811,862.70	811,862.70	811,862.70	811,862.70
48	PV3 generation		213,729.23	213,729.23	213,729.23	213,729.23	213,729.23	213,729.23	213,729.23
49	Transmission		1,527,580.83	1,527,580.83	1,527,580.83	1,527,580.83	1,527,580.83	1,527,580.83	1,527,580.83
50	HLM transmission		-	-	-	-	-	-	-
51	PV3 transmission		-	-	-	-	-	-	-
52	Distribution		2,946,306.91	2,946,306.91	2,946,306.91	2,946,306.91	2,946,306.91	2,946,306.91	2,946,306.91
53	Renewable distribution		-	-	-	-	-	-	-
54	General		12,299.76	12,299.76	12,299.76	12,299.76	12,299.76	12,299.76	12,299.76
55	Corporate Allocation		-	-	-	-	-	-	-

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit MFH-2									
2	ADIT-12: Linkage & Test Depreciation ADIT									
3	Hyperlink to Lead Sheet									
4	See PNM Exhibit MFH-5									
5	PNM	Adjusted Base		FY15						
56	Nuc Fuel 1&2			533,475.67	533,475.67	533,475.67	533,475.67	533,475.67	533,475.67	533,475.67
57	Nuc Fuel 3			195,014.37	195,014.37	195,014.37	195,014.37	195,014.37	195,014.37	195,014.37
58										
59										
60	Total Tax on Existing			10,830,973	10,830,973	10,830,973	10,830,973	10,830,973	10,830,973	10,830,973
61										
62										
63	Temporary Difference									
64	Generation			(1,547,775)	(1,573,977)	(1,623,858)	(1,614,703)	(1,618,490)	(1,645,713)	(1,001,291)
65	Renewable generation - pre 2015			(283,821)	(283,821)	(283,821)	(283,821)	(283,821)	(283,821)	(278,565)
66	Renewable generation - 2015			(33,810)	(28,011)	(25,965)	(21,190)	(12,817)	(242)	19,444
67	PV3 generation			145,273	126,757	105,009	107,525	106,940	106,731	127,476
68	Transmission			(457,462)	(410,951)	(415,892)	(406,550)	(428,188)	(440,795)	(480,147)
69	HLM transmission			40,676	40,676	40,676	40,676	40,676	40,676	52,677
70	PV3 transmission			16,861	16,875	17,009	17,057	17,059	17,065	19,549
71	Distribution			(176,469)	(173,466)	(215,129)	(258,178)	(274,466)	(304,088)	(278,430)
72	Renewable distribution			30,013	30,013	30,013	30,013	30,013	30,013	32,427
73	General			837,867	819,093	762,480	677,975	618,489	599,518	616,820
74	Corporate Allocation									
75	Nuc Fuel 1&2			682,850	731,163	677,581	651,092	646,252	367,172	(122,304)
76	Nuc Fuel 3			(162,231)	265,272	476,574	500,131	497,571	202,552	218,240
77										
78										
79	Total Temporary Difference			(908,018)	(440,378)	(455,323)	(559,972)	(660,782)	(1,310,893)	(1,074,104)
80	check total			-	0	0	0	-	-	-
81										
82	ADIT before proration									
83	Liberalized Depreciation - Generat	Generation		(606,728)	(616,999)	(636,552)	(632,963)	(634,448)	(645,119)	(392,506)
84	Liberalized Depreciation - Renewa	Renewable generation - pre 2015		(111,258)	(111,258)	(111,258)	(111,258)	(111,258)	(111,258)	(109,197)
85	Liberalized Depreciation - Generat	Renewable generation - 2015		(13,254)	(10,980)	(10,178)	(8,307)	(5,024)	(95)	7,622
86	Liberalized Depreciation - PV 3	PV3 generation		56,947	49,689	41,164	42,150	41,921	41,839	49,970
87	Liberalized Depreciation - Transm	Transmission		(179,325)	(161,093)	(163,030)	(159,368)	(167,850)	(172,776)	(188,218)
88	Liberalized Depreciation - Transm	HLM transmission (with Trans)		15,945	15,945	15,945	15,945	15,945	15,945	20,649
89	Liberalized Depreciation - PV 3	PV3 transmission (with PV3 gen)		6,610	6,615	6,667	6,687	6,687	6,689	7,663
90	Liberalized Depreciation - Distribu	Distribution		(69,176)	(67,999)	(84,330)	(101,206)	(107,591)	(119,203)	(109,144)
91	Liberalized Depreciation - Renewa	Renewable distribution (with renew)		11,765	11,765	11,765	11,765	11,765	11,765	12,711
92	Liberalized Depreciation - Other	General		328,444	321,084	298,892	265,766	242,448	235,011	241,793
93		Corporate Allocation								
94	Nuclear Fuel Amortization PV 1&2	Nuc Fuel 1&2		267,681	286,616	265,612	255,228	253,331	143,931	(47,943)
95	Nuclear Fuel Amortization PV 3	Nuc Fuel 3		(63,595)	103,986	186,817	196,051	195,048	79,400	85,550
96										
97										
98	Total ADIT change before proration			(355,943)	(172,628)	(178,487)	(219,509)	(259,027)	(513,870)	(421,049)
99										
100	Numerator Days			365	365	365	365	365	365	365
101	Denominator Days			365	365	365	365	365	365	365
102										
103										
104	ADIT after proration									
105	Generation			(606,728)	(616,999)	(636,552)	(632,963)	(634,448)	(645,119)	(392,506)

	A	B	C	D	E	F	G	H	I	J	
1	PNM Exhibit MFH-2										
2	ADIT-12: Linkage & Test Depreciation ADIT										
3	Hyperlink to Lead Sheet										
4	See PNM Exhibit MFH-5			FY15							
S	PNM	Adjusted Base	Apr	FY15 May	FY15 Jun	FY15 Jul	FY15 Aug	FY15 Sep	FY15 Oct		
105	Renewable generation - pre 2015			(111,258)	(111,258)	(111,258)	(111,258)	(111,258)	(111,258)	(109,197)	
107	Renewable generation - 2015			(13,254)	(10,980)	(10,178)	(8,307)	(5,024)	(95)	7,622	
108	PV3 generation			56,947	49,689	41,164	42,150	41,921	41,839	49,970	
109	Transmission			(179,325)	(161,093)	(163,030)	(159,368)	(167,850)	(172,776)	(188,218)	
110	HLM transmission			15,945	15,945	15,945	15,945	15,945	15,945	20,649	
111	PV3 transmission			6,610	6,615	6,567	6,687	6,687	6,689	7,663	
112	Distribution			(69,176)	(67,999)	(84,330)	(101,206)	(107,591)	(119,203)	(109,144)	
113	Renewable distribution			11,765	11,765	11,765	11,765	11,765	11,765	12,711	
114	General			328,444	321,084	298,892	265,766	242,448	235,011	241,793	
115	Corporate Allocation										
116	Nuc Fuel 1&2			267,681	286,616	265,612	255,228	253,331	143,931	(47,943)	
117	Nuc Fuel 3			(63,595)	103,986	186,817	196,051	195,048	79,400	85,550	
118				-	-	-	-	-	-	-	
119											
120	Total ADIT change after proration			(355,943)	(172,628)	(178,487)	(219,509)	(259,027)	(513,870)	(421,049)	
121											
122											
123	Liberalized Depreciation - Corp Alloc	Corp Alloc ADIT change before pro		160,873.17	169,123.52	147,894.27	141,016.91	133,952.37	120,785.56	373,334.74	
124		Corp Alloc ADIT change after pro		160,873.17	169,123.52	147,894.27	141,016.91	133,952.37	120,785.56	373,334.74	
125											
126		ADIT balance after proration									
127	Liberalized Depreciation - General	Generation		(410,297,117)	(410,903,844)	(411,520,843)	(412,157,396)	(412,790,359)	(413,424,807)	(414,069,926)	(414,462,433)
128	Liberalized Depreciation - Renewables	Renewable generation - pre 2015		(46,876,599)	(46,987,857)	(47,099,115)	(47,210,373)	(47,321,631)	(47,432,888)	(47,544,146)	(47,653,344)
129	Liberalized Depreciation - General	Renewable generation - 2015		(13,254)	(24,234)	(34,412)	(42,719)	(47,743)	(47,838)	(40,216)	
130	Liberalized Depreciation - PV 3	PV3 generation		(68,917,842)	(68,860,895)	(68,811,206)	(68,770,043)	(68,727,893)	(68,685,972)	(68,644,133)	(68,594,163)
131	Liberalized Depreciation - Transmission	Transmission		(92,954,107)	(93,133,432)	(93,294,525)	(93,457,555)	(93,618,922)	(93,784,772)	(93,957,548)	(94,145,766)
132	Liberalized Depreciation - Transmission	HLM transmission (with Trans)		15,945	31,890	47,834	63,779	79,724	95,669	116,318	
133	Liberalized Depreciation - PV 3	PV3 transmission (with PV3 gen)		(68,917,842)	(68,911,232)	(68,904,617)	(68,897,950)	(68,891,263)	(68,884,576)	(68,877,887)	(68,870,223)
134	Liberalized Depreciation - Distribution	Distribution		(195,576,970)	(195,646,146)	(195,714,145)	(195,798,475)	(195,899,681)	(196,007,272)	(196,126,474)	(196,235,619)
135	Liberalized Depreciation - Renewables	Renewable distribution (with renew)		11,765	23,530	35,296	47,061	58,826	70,591	83,303	
136	Liberalized Depreciation - Other	General		1,577,415	1,905,859	2,226,943	2,525,836	2,791,602	3,034,049	3,269,060	3,510,854
137	Liberalized Depreciation - Corp	Corporate Allocation (with General)		-	160,873	329,997	477,891	618,908	752,860	873,646	1,246,981
138	Nuclear Fuel Amortization PV 1&2	Nuc Fuel 1&2		6,360,182	6,627,863	6,914,479	7,180,091	7,435,319	7,688,550	7,892,581	7,784,638
139	Nuclear Fuel Amortization PV 3	Nuc Fuel 3		3,180,091	3,116,496	3,220,483	3,407,300	3,603,351	3,798,399	3,877,800	3,963,349
140											
141											
142	Total ADIT balance after proration			(872,422,789)	(872,617,859)	(872,621,364)	(872,651,956)	(872,730,448)	(872,855,522)	(873,248,607)	(873,298,320)

	A	B	K	L	M	N	O	P	Q	R
1	PNM Exhibit MFH-2									
2	ADIT-12: Linkage & Test Depreciation ADIT									
3	Hyperlink to Lead Sheet									
4	See PNM Exhibit MFH-5									
5	PNM	FY15 Nov	FY15 Dec	FY16 Jan	FY16 Feb	FY16 Mar	FY16 Apr	FY16 May	FY16 Jun	
56	Nuc Fuel 1&2	533,475.67	533,475.67	125,070.33	125,070.33	125,070.33	125,070.33	125,070.33	125,070.33	125,070.33
57	Nuc Fuel 3	195,014.37	195,014.37	127,178.00	127,178.00	127,178.00	127,178.00	127,178.00	127,178.00	127,178.00
58										
59										
60	Total Tax on Existing	10,830,973	10,830,973	9,180,642	9,180,642	9,180,642	9,180,642	9,180,642	9,180,642	9,180,642
61										
62										
63	Temporary Difference									
64	Generation	(1,579,283)	(5,349,582)	(2,792,814)	(2,294,481)	(2,301,071)	(2,309,923)	(2,307,307)	(2,333,670)	
65	Renewable generation - pre 2015	(278,565)	(278,565)	344,545	344,545	344,545	344,545	344,545	344,545	
66	Renewable generation - 2015	(3,137,990)	(9,673,707)	(1,538,609)	(1,538,609)	(1,538,609)	(1,538,609)	(1,538,609)	(1,538,609)	
67	PV3 generation	103,451	36,487	130,637	130,557	130,508	129,508	126,151	120,062	
68	Transmission	(467,323)	(637,428)	(229,299)	(211,463)	(349,179)	(341,393)	(339,869)	(411,565)	
69	HLM transmission	52,677	52,677	52,677	52,677	52,677	52,677	52,677	52,677	
70	PV3 transmission	19,612	19,664	19,758	19,762	19,766	19,755	19,764	19,802	
71	Distribution	(312,920)	(532,892)	116,125	108,318	102,778	87,456	84,312	38,074	
72	Renewable distribution	32,427	32,427	32,427	32,427	32,427	32,427	32,427	32,427	
73	General	588,775	424,492	738,932	739,354	725,199	722,916	719,552	663,884	
74	Corporate Allocation									
75	Nuc Fuel 1&2	(5,623)	413,960	994,911	864,171	925,022	274,497	243,132	704,020	
76	Nuc Fuel 3	193,705	224,007	459,445	407,270	458,410	431,967	345,630	319,014	
77										
78										
79	Total Temporary Difference	(4,791,066)	(15,268,460)	(1,571,266)	(1,345,472)	(1,397,528)	(2,094,176)	(2,217,595)	(1,989,339)	
80	check total	-	-	-	-	(0)	(0)	-	-	
81										
82	ADIT before proration									
83	Liberalized Depreciation - Generation	(619,083)	(2,097,036)	(1,089,756)	(895,307)	(897,878)	(901,332)	(900,311)	(910,598)	
84	Liberalized Depreciation - Renewable	(109,197)	(109,197)	134,441	134,441	134,441	134,441	134,441	134,441	
85	Liberalized Depreciation - General	(1,230,092)	(3,792,093)	(600,365)	(600,365)	(600,365)	(600,365)	(600,365)	(600,365)	
86	Liberalized Depreciation - PV 3	PV3 generation	40,553	14,303	50,974	50,943	50,924	50,534	49,224	46,848
87	Liberalized Depreciation - Transmission	(183,191)	(249,872)	(89,473)	(82,513)	(136,250)	(133,212)	(132,617)	(160,593)	
88	Liberalized Depreciation - Transmission	HLM transmission (with Trans)	20,649	20,649	20,555	20,555	20,555	20,555	20,555	20,555
89	Liberalized Depreciation - PV 3	PV3 transmission (with PV3 gen)	7,688	7,708	7,710	7,711	7,713	7,708	7,712	7,727
90	Liberalized Depreciation - Distribution	(122,665)	(208,894)	45,312	42,266	40,104	34,125	32,898	14,857	
91	Liberalized Depreciation - Renewable	Renewable distribution (with renew)	12,711	12,711	12,653	12,653	12,653	12,653	12,653	12,653
92	Liberalized Depreciation - Other	General	230,800	166,401	288,331	288,496	282,973	282,082	280,769	259,048
93	Corporate Allocation									
94	Nuclear Fuel Amortization PV 1&2	Nuc Fuel 1&2	(2,204)	162,272	388,214	337,200	360,944	107,109	94,870	274,709
95	Nuclear Fuel Amortization PV 3	Nuc Fuel 3	75,933	87,811	179,276	158,917	178,872	168,553	134,865	124,479
96					-	-	-	-	-	
97										
98	Total ADIT change before proration	(1,878,098)	(5,985,236)	(652,128)	(525,003)	(545,316)	(817,148)	(865,305)	(775,240)	
99										
100	Numerator Days	365	365	365	365	365	365	365	365	
101	Denominator Days	365	365	365	365	365	365	365	365	
102										
103										
104	ADIT after proration									
105	Generation	(619,083)	(2,097,036)	(1,089,756)	(895,307)	(897,878)	(901,332)	(900,311)	(910,598)	

A	B	K	L	M	N	O	P	Q	R	
1	PNM Exhibit MFH-2	FY15	FY15	FY16	FY16	FY16	FY16	FY16	FY16	
2	ADIT-12: Linkage & Test Depreciation ADIT									
3	Hyperlink to Lead Sheet									
4	See PNM Exhibit MFH-5									
5	PNM	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
106	Renewable generation - pre 2015	(109,197)	(109,197)	134,441	134,441	134,441	134,441	134,441	134,441	
107	Renewable generation - 2015	(1,230,092)	(3,792,093)	(600,365)	(600,365)	(600,365)	(600,365)	(600,365)	(600,365)	
108	PV3 generation	40,553	14,303	50,974	50,943	50,924	50,534	49,224	46,848	
109	Transmission	(183,191)	(249,872)	(89,473)	(82,513)	(136,250)	(133,212)	(132,617)	(160,598)	
110	HLM transmission	20,649	20,649	20,555	20,555	20,555	20,555	20,555	20,555	
111	PV3 transmission	7,688	7,708	7,710	7,711	7,713	7,708	7,712	7,727	
112	Distribution	(122,665)	(208,894)	45,312	42,266	40,104	34,125	32,898	14,857	
113	Renewable distribution	12,711	12,711	12,653	12,653	12,653	12,653	12,653	12,653	
114	General	230,800	166,401	288,331	288,496	282,973	282,082	280,769	259,048	
115	Corporate Allocation									
116	Nuc Fuel 1&2	(2,204)	162,272	388,214	337,200	360,944	107,109	94,870	274,709	
117	Nuc Fuel 3	75,933	87,811	179,276	158,917	178,872	168,553	134,865	124,479	
118		-	-	-	-	-	-	-	-	
119										
120	Total ADIT change after proration	(1,878,098)	(5,985,236)	(652,128)	(525,003)	(545,316)	(817,148)	(865,305)	(776,240)	
121										
122										
123	Liberalized Depreciation - Corp All	Corp Alloc ADIT change before pro	327,166.40	(694,048.47)	306,520.75	306,546.54	309,111.78	305,500.51	306,137.41	281,411.54
124		Corp Alloc ADIT change after pro	327,166.40	(694,048.47)	306,520.75	306,546.54	309,111.78	305,500.51	306,137.41	281,411.54
125										
126		ADIT balance after proration								
127	Liberalized Depreciation - Generat	Generation	(415,081,515)	(417,178,552)	(418,268,308)	(419,163,514)	(420,061,492)	(420,962,824)	(421,863,135)	(422,773,733)
128	Liberalized Depreciation - Renewal	Renewable generation - pre 2015	(47,762,541)	(47,871,738)	(47,737,297)	(47,502,855)	(47,458,414)	(47,333,973)	(47,199,531)	(47,065,090)
129	Liberalized Depreciation - Generat	Renewable generation - 2015	(1,270,308)	(5,062,401)	(5,662,766)	(6,269,132)	(6,863,497)	(7,463,862)	(8,064,228)	(8,664,593)
130	Liberalized Depreciation - PV 3	PV3 generation	(68,553,610)	(68,539,307)	(68,488,333)	(68,437,390)	(68,386,465)	(68,335,931)	(68,286,707)	(68,239,859)
131	Liberalized Depreciation - Transm	Transmission	(94,328,957)	(94,578,829)	(94,668,301)	(94,750,814)	(94,887,064)	(95,020,275)	(95,152,892)	(95,313,485)
132	Liberalized Depreciation - Transm	HLM transmission (with Trans)	136,968	157,617	178,172	198,726	219,281	239,836	260,390	280,945
133	Liberalized Depreciation - PV 3	PV3 transmission (with PV3 gen)	(68,862,535)	(68,854,827)	(68,847,118)	(68,839,406)	(68,831,694)	(68,823,985)	(68,816,274)	(68,808,547)
134	Liberalized Depreciation - Distribu	Distribution	(196,358,283)	(196,567,177)	(196,521,865)	(196,479,599)	(196,439,496)	(196,405,370)	(196,372,472)	(196,357,615)
135	Liberalized Depreciation - Renewa	Renewable distribution (with renew)	96,014	108,725	121,378	134,031	146,684	159,337	171,990	184,643
136	Liberalized Depreciation - Other	General	3,741,654	3,908,054	4,195,386	4,484,882	4,757,854	5,049,936	5,330,705	5,589,753
137	Liberalized Depreciation - Corp	Corporate Allocation (with General)	1,574,147	880,098	1,186,619	1,493,166	1,802,278	2,107,778	2,413,915	2,695,327
138	Nuclear Fuel Amortization PV 1&2	Nuc Fuel 1&2	7,782,434	7,944,706	8,332,920	8,670,120	9,031,064	9,138,172	9,233,043	9,507,751
139	Nuclear Fuel Amortization PV 3	Nuc Fuel 3	4,039,282	4,127,093	4,305,368	4,465,285	4,644,157	4,812,710	4,947,575	5,072,054
140										
141										
142	Total ADIT balance after proration	(874,847,252)	(881,526,537)	(881,872,144)	(882,090,601)	(882,326,804)	(882,838,451)	(883,397,619)	(883,892,448)	

	A	B	S	T	U	V	W	X	Y	Z
1	PNM Exhibit MFH-2									
2	ADIT-12: Linkage & Test Depreciation ADIT									
3	<u>Hyperlink to Lead Sheet</u>									
4	See PNM Exhibit MFH-5		FY16	FY16	FY16					
5	PNM	JUL	Aug	Sep			2015Q2	2015Q3	2015Q4	
6	<u>Book Depreciation Expense</u>									
7	Generation	4,377,789.27	4,382,207.86	4,384,880.33						
8	Renewable generation - pre 2015	533,297.85	533,297.85	533,297.85						
9	Renewable generation - 2015	215,767.42	215,767.42	215,767.42						
10	PV3 generation	400,720.55	401,394.63	401,418.68						
11	Transmission	1,712,487.49	1,715,159.45	1,716,195.65						
12	HLM transmission	52,677.11	52,677.11	52,677.11						
13	PV3 transmission	19,851.99	19,868.87	19,869.47						
14	Distribution	3,085,023.29	3,094,387.63	3,098,934.90						
15	Renewable distribution	32,426.89	32,426.89	32,426.89						
16	General	919,261.37	920,930.64	925,943.73						
17	<u>Corporate Allocation</u>	-	-	-						
18	Nuc Fuel 1&2	1,635,791.18	1,635,790.88	1,583,023.68						
19	Nuc Fuel 3	801,075.19	801,075.00	775,234.00						
20										
21	Total Book	13,786,170	13,804,984	13,739,650						
22	Add: EIP acquisition amort (ORB)	48,831.00	48,831.00	48,831.00						
23	Add: PV acquisition amort (ORB)	30,426.00	30,426.00	30,426.00						
24	Add: PV 2 lease acquis amort (OA)	168,680.00	168,680.00	168,680.00						
25	Less: corp alloc	-	-	-						
26	total Book befores corp alloc	14,034,107	14,052,921	13,987,587	227,465,180					
27										
28										
29	<u>Tax Depreciation Expense on Additions</u>									
30	Generation	2,362,885.84	2,383,231.23	2,431,254.05						
31	Renewable generation- 2015	1,754,376.59	1,754,376.59	1,754,376.59						
32	PV3 generation	90,246.44	90,147.44	112,359.82						
33	Transmission	800,316.86	806,906.07	872,908.25						
34	HLM transmission	-	-	-						
35	PV3 transmission	-	-	-						
36	Distribution	476,165.11	500,191.23	536,983.79						
37	Renewable distribution	-	-	-						
38	General	270,217.07	273,673.14	302,891.26						
39	<u>Corporate Allocation</u>									
40	Nuc Fuel 1&2	755,740.60	757,909.40	760,620.40						
41	Nuc Fuel 3	329,945.37	339,069.77	447,275.27						
42										
43	Total Tax on Additions	6,839,894	6,905,505	7,218,669	89,976,396					
44										
45	<u>Tax Depreciation Expense on Existing plan</u>									
46	Generation	4,554,122.05	4,554,122.05	4,554,122.05						
47	Renewable generation - pre 2015	188,752.83	188,752.83	188,752.83						
48	PV3 generation	190,371.83	190,371.83	190,371.83						
49	Transmission	1,392,468.66	1,392,468.66	1,392,468.66						
50	HLM transmission	-	-	-						
51	PV3 transmission	-	-	-						
52	Distribution	2,590,428.49	2,590,428.49	2,590,428.49						
53	Renewable distribution	-	-	-						
54	General	12,249.56	12,249.56	12,249.56						
55	Corporate Allocation	-	-	-						

	A	B	S	T	U	V	W	X	Y	Z
1	PNM Exhibit MFH-2									
2	ADIT-12: Linkage & Test Depreciation ADIT									
3	Hyperlink to Lead Sheet									
4	See PNM Exhibit MFH-5		FY16	FY16	FY16					
5	PNM	Jul	Aug	Sep				2015Q2	2015Q3	2015Q4
56	Nuc Fuel 1&2	125,070.33	125,070.33	125,070.33						
57	Nuc Fuel 3	127,178.00	127,178.00	127,178.00						
58										
59										
60	Total Tax on Existing	9,180,642	9,180,642	9,180,642	180,104,535					
61										
62										
63	Temporary Difference							test period temp diff		
64	Generation	(2,340,113)	(2,356,039)	(2,401,410)				(29,366,995)		
65	Renewable generation - pre 2015	344,545	344,545	344,545				2,265,211		
66	Renewable generation - 2015	(1,538,609)	(1,538,609)	(1,538,609)				(26,639,735)		
67	PV3 generation	120,102	120,875	98,687				1,374,501		
68	Transmission	(431,487)	(435,884)	(500,350)				(4,834,868)		
69	HLM transmission	52,677	52,677	52,677				692,125		
70	PV3 transmission	19,852	19,869	19,869				237,022		
71	Distribution	18,430	3,768	(28,477)				(593,459)		
72	Renewable distribution	32,427	32,427	32,427				389,123		
73	General	636,785	635,008	610,803				7,822,530		
74	Corporate Allocation							-		
75	Nuc Fuel 1&2	754,980	752,811	697,333				6,496,911		
76	Nuc Fuel 3	343,952	334,827	200,781				3,937,249		
77										
78										
79	Total Temporary Difference	(1,986,429)	(2,033,225)	(2,411,724)	(42,615,751)					
80	check total	-	-	-	-					
81										
82	ADIT before proration							2015Q2	2015Q3	2015Q4
83	Liberalized Depreciation - Generat	(913,112)	(919,327)	(937,030)				(1,860,279)	(1,912,531)	(3,108,625)
84	Liberalized Depreciation - Renewa	134,441	134,441	134,441				(333,773)	(333,773)	(327,592)
85	Liberalized Depreciation - Generat	(600,365)	(600,365)	(600,365)				(34,412)	(13,426)	(5,014,563)
86	Liberalized Depreciation - PV 3	PV3 generation	46,864	47,166	38,508			147,799	125,909	104,826
87	Liberalized Depreciation - Transm	Transmission	(168,358)	(169,887)	(195,237)			(503,448)	(499,994)	(621,280)
88	Liberalized Depreciation - Transm	HLM transmission (with Trans)	20,555	20,555	20,555			47,834	47,834	61,948
89	Liberalized Depreciation - PV 3	PV3 transmission (with PV3 gen)	7,746	7,753	7,753			19,892	20,063	23,060
90	Liberalized Depreciation - Distribu	Distribution	7,191	1,470	(11,112)			(221,505)	(327,999)	(440,703)
91	Liberalized Depreciation - Renewa	Renewable distribution (with renew)	12,653	12,653	12,653			35,296	35,296	38,134
92	Liberalized Depreciation - Other	General	248,477	247,780	238,335			948,420	743,225	638,994
93	Corporate Allocation							-	-	-
94	Nuclear Fuel Amortization PV 1&2	Nuc Fuel 1&2	294,593	293,747	272,099			819,909	652,491	112,125
95	Nuclear Fuel Amortization PV 3	Nuc Fuel 3	134,210	130,650	78,345			227,209	470,500	249,293
96			-	-	-			-	-	-
97								-	-	-
98	Total ADIT change before proration	(775,105)	(793,365)	(941,055)				(707,058)	(992,405)	(8,284,383)
99										
100	Numerator Days	61	31	1						
101	Denominator Days	92	92	92	33.70%					
102										
103										
104	ADIT after proration									
105	Generation	(605,433)	(309,773)	(10,185)				(1,860,279)	(1,912,531)	(3,108,625)

	A	B	S	T	U	V	W	X	Y	Z
1	PNM Exhibit MFH-2									
2	ADIT-12: Linkage & Test Depreciation ADIT									
3	Hyperlink to Lead Sheet									
4	See PNM Exhibit MFH-5		FY16	FY16	FY16					
5			PNM	Jul	Aug	Sep		2015Q2	2015Q3	2015Q4
106	Renewable generation - pre 2015		89,141	45,301	1,461			(333,773)	(333,773)	(327,592)
107	Renewable generation - 2015		(398,068)	(202,297)	(6,526)			(34,412)	(13,426)	(5,014,563)
108	PV3 generation		31,073	15,893	419			147,799	125,909	104,826
109	Transmission		(111,629)	(57,245)	(2,122)			(503,448)	(499,994)	(621,280)
110	HLM transmission		13,629	6,926	223			47,834	47,834	61,948
111	PV3 transmission		5,136	2,512	84			19,892	20,063	23,060
112	Distribution		4,768	495	(121)			(221,505)	(327,999)	(440,703)
113	Renewable distribution		8,389	4,264	138			35,296	35,296	38,134
114	General		164,751	83,491	2,591			948,420	743,225	638,994
115	Corporate Allocation							-	-	-
116	Nuc Fuel 1&2		195,328	98,980	2,958			819,909	652,491	112,125
117	Nuc Fuel 3		88,987	44,023	852			227,209	470,500	249,293
118			-	-	-			-	-	-
119								-	-	-
120	Total ADIT change after proration		(513,928)	(267,329)	(10,229)			(707,058)	(992,405)	(8,284,383)
121								-		
122								-		
123	Liberalized Depreciation - Corp All	Corp Alloc ADIT change before pro	283,522.44	280,320.91	276,749.32			477,891	395,755	6,453
124		Corp Alloc ADIT change after pro	187,987.70	94,455.96	3,008.14			477,891	395,755	6,453
125										
126		ADIT balance after proration								
127	Liberalized Depreciation - Generat	Generation	(423,379,165)	(423,688,939)	(423,699,125)					
128	Liberalized Depreciation - Renewa	Renewable generation - pre 2015	(46,975,949)	(46,930,648)	(46,929,187)					
129	Liberalized Depreciation - Generat	Renewable generation - 2015	(9,062,661)	(9,264,958)	(9,271,484)					
130	Liberalized Depreciation - PV 3	PV3 generation	(68,208,786)	(68,192,893)	(68,192,475)					
131	Liberalized Depreciation - Transm	Transmission	(95,425,114)	(95,482,358)	(95,484,480)					
132	Liberalized Depreciation - Transm	HLM transmission (with Trans)	294,573	301,499	301,723					
133	Liberalized Depreciation - PV 3	PV3 transmission (with PV3 gen)	(68,803,411)	(68,800,799)	(68,800,714)					
134	Liberalized Depreciation - Distribu	Distribution	(196,352,847)	(196,352,352)	(196,352,472)					
135	Liberalized Depreciation - Renewa	Renewable distribution (with renew)	193,033	197,296	197,434					
136	Liberalized Depreciation - Other	General	5,754,504	5,837,995	5,840,586					
137	Liberalized Depreciation - Corp	Corporate Allocation (with General)	2,883,315	2,977,771	2,980,779					
138	Nuclear Fuel Amortization PV 1&2	Nuc Fuel 1&2	9,703,079	9,802,059	9,805,017					
139	Nuclear Fuel Amortization PV 3	Nuc Fuel 3	5,161,041	5,205,065	5,205,916					
140										
141								-	-	
142		Total ADIT balance after proration	(884,218,388)	(884,391,262)	(884,398,482)			-	-	

	A	B	AA	AB	AC	AD	AE	AF
1	PNM Exhibit MFH-2							
2	ADIT-12: Linkage & Test Depreciation ADIT							
3	<u>Hyperlink to Lead Sheet</u>							
4	See PNM Exhibit MFH-5							
5	PNM	2016Q1	2016Q2	2016Q3	Proration	Test		
6	<u>Book Depreciation Expense</u>							
7	Generation	This page intentionally left blank						
8	Renewable generation - pre 2015							
9	Renewable generation - 2015							
10	PV3 generation							
11	Transmission							
12	HLM transmission							
13	PV3 transmission							
14	Distribution							
15	Renewable distribution							
16	General							
17	Corporate Allocation							
18	Nuc Fuel 1&2							
19	Nuc Fuel 3							
20								
21	Total Book							
22	Add: EIP acquisition amort (ORB)							
23	Add: PV acquisition amort (ORB)							
24	Add: PV 2 lease acquis amort (OA)							
25	Less: corp allocation							
26	total Book before corp alloc							
27								
28								
29	<u>Tax Depreciation Expense on Additions</u>							
30	Generation							
31	Renewable generation- 2015							
32	PV3 generation							
33	Transmission							
34	HLM transmission							
35	PV3 transmission							
36	Distribution							
37	Renewable distribution							
38	General							
39	Corporate Allocation							
40	Nuc Fuel 1&2							
41	Nuc Fuel 3							
42								
43	Total Tax on Additions							
44								
45	<u>Tax Depreciation Expense on Existing plan</u>							
46	Generation							
47	Renewable generation - pre 2015							
48	PV3 generation							
49	Transmission							
50	HLM transmission							
51	PV3 transmission							
52	Distribution							
53	Renewable distribution							
54	General							
55	Corporate Allocation							

	A	B	AA	AB	AC	AD	AE	AF
1	PNM Exhibit MFH-2							
2	ADIT-12: Linkage & Test Depreciation ADIT							
3	<u>Hyperlink to Lead Sheet</u>							
4	See PNM Exhibit MFH-5							
5	PNM	2016Q1	2016Q2	2016Q3	Proration	Test		
56	Nuc Fuel 1&2							
57	Nuc Fuel 3							
58								
59								
60	Total Tax on Existing							
61								
62								
63	<u>Temporary Difference</u>							
64	Generation							
65	Renewable generation - pre 2015							
66	Renewable generation - 2015							
67	PV3 generation							
68	Transmission							
69	HLM transmission							
70	PV3 transmission							
71	Distribution							
72	Renewable distribution							
73	General							
74	Corporate Allocation							
75	Nuc Fuel 1&2							
76	Nuc Fuel 3							
77								
78								
79	Total Temporary Difference							
80	check total							
81								
82	<u>ADIT before proration</u>	2016Q1	2016Q2	2016Q3	Proration	Test		
83	Liberalized Depreciation - Generation	(2,882,940)	(2,712,241)	(2,769,469)	1,844,077	(9,629,198)		
84	Liberalized Depreciation - Renewables	403,324	403,324	403,324	[267,422]	614,959		
85	Liberalized Depreciation - Generation	(1,801,096)	(1,801,096)	(1,801,096)	1,194,205	(9,223,646)		
86	Liberalized Depreciation - PV 3	152,842	146,607	132,537	(85,153)	451,659		
87	Liberalized Depreciation - Transmission	(308,235)	(426,421)	(533,482)	362,486	(1,526,932)		
88	Liberalized Depreciation - Transmission	61,664	61,664	61,664	(40,886)	206,054		
89	Liberalized Depreciation - PV 3	23,133	23,147	23,252	[15,419]	77,173		
90	Liberalized Depreciation - Distribution	127,681	81,880	[2,450]	7,593	(225,998)		
91	Liberalized Depreciation - Renewables	37,959	37,959	37,959	[25,168]	126,842		
92	Liberalized Depreciation - Other	859,800	821,899	734,593	(483,760)	2,571,526		
93	Corporate Allocation	-	-	-	-	-		
94	Nuclear Fuel Amortization PV 1&2	1,086,357	476,688	860,440	(563,174)	1,972,436		
95	Nuclear Fuel Amortization PV 3	Nuc Fuel 3	517,064	427,898	343,204	(209,342)	1,328,117	
96			-	-	-	-		
97			-	-	-	-		
98	Total ADIT change before proration	(1,722,447)	(2,458,693)	(2,509,524)	1,718,038	(13,257,009)		
99								
100	Numerator Days							
101	Denominator Days							
102								
103								
104	<u>ADIT after proration</u>							
105	Generation	(2,882,940)	(2,712,241)	(925,391)				

	A	B	AA	AB	AC	AD	AE	AF
1	PNM Exhibit MFH-2							
2	ADIT-12: Linkage & Test Depreciation ADIT							
3	Hyperlink to Lead Sheet							
4	See PNM Exhibit MFH-5							
5	PNM	2016Q1	2016Q2	2016Q3	Proration	Test		
106	Renewable generation - pre 2015	403,324	403,324	135,903				
107	Renewable generation - 2015	(1,801,096)	(1,801,096)	(506,891)				
108	PV3 generation	152,842	146,607	47,384				
109	Transmission	(308,235)	(426,421)	(170,996)				
110	HLM transmission	61,664	61,664	20,778				
111	PV3 transmission	23,133	23,147	7,833				
112	Distribution	127,681	81,880	5,143				
113	Renewable distribution	37,959	37,959	12,791				
114	General	859,800	821,899	250,833				
115	Corporate Allocation	-	-	-				
116	Nuc Fuel 1&2	1,086,357	476,688	297,266				
117	Nuc Fuel 3	517,064	427,898	133,862				
118		-	-	-				
119		-	-	-				
120	Total ADIT change after proration	(1,722,447)	(2,458,693)	(791,486)				
121		-	-	-				
122		-	-	-				
123	Liberalized Depreciation - Corp Alloc ADIT change before pro	922,179	893,049	840,593	(555,141)	2,107,133		
124	Corp Alloc ADIT change after pro	922,179	893,049	285,452				
125								
126	ADIT balance after proration							
127	Liberalized Depreciation - Generation							
128	Liberalized Depreciation - Renewable generation - pre 2015							
129	Liberalized Depreciation - Renewable generation - 2015							
130	Liberalized Depreciation - PV3	PV3 generation						
131	Liberalized Depreciation - Transmission	Transmission						
132	Liberalized Depreciation - Transmission	HLM transmission (with Trans)						
133	Liberalized Depreciation - PV3	PV3 transmission (with PV3 gen)						
134	Liberalized Depreciation - Distribution	Distribution						
135	Liberalized Depreciation - Renewable distribution (with renew)							
136	Liberalized Depreciation - Other	General						
137	Liberalized Depreciation - Corporate Allocation (with General)							
138	Nuclear Fuel Amortization PV 1&2	Nuc Fuel 1&2						
139	Nuclear Fuel Amortization PV 3	Nuc Fuel 3						
140								
141								
142	Total ADIT balance after proration	-	-	-	-	-		

	A	B	C	D	E
1	PNM Exhibit MFH-2				
2	ADIT-13: Linkage & Test Flow-through Reversals				
3	<u>Hyperlink to Lead Sheet</u>				
4					
5	Source: Company Records				
6					
7					
8					
9		2014	2015	2016	
10					
11	pre-acrs	282005	(84,942)	(105,333)	(67,302)
12	SJ4	282013	342,346	342,346	342,346
13	acrs	282003	2,219,170	2,526,430	2,102,801
14	SO2	281000	617,456	617,456	509,207
15					
16	Total		3,094,030	3,380,899	2,887,052
17					
18			1,219,667	1,325,312	1,126,528
19					
20					
21					
22					
23	flow-thru effect example				
24	no flo	book	tax	def	ADIT
25					
26	inc	1,000	1,000		
27					
28	depr	(100)	(200)	100	(40)
29					
30	ti	900	800	100	(40)
31					
32	tax	360	320	40	
33					
34					
35	flo	book	tax	def	ADIT
36					
37	inc	1,000	1,000		
38					
39	depr	(100)	(200)	100	(40)
40	flo	25		25	(10)
41					
42	ti	925	800	125	(50)
43					
44	tax	370	320	50	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	PNM Exhibit MFH-2															
2	ADIT-14: ARAM Reversals and Excess Deferred Income Taxes															
3	Hyperlink to Lead Sheet															
4	Source: Company Records															
5	Year	Production	Transmission & Distribution	General Plant	Total											
6																
7	1987			43,697	43,697											
8	1988			162,023	162,023											
9	1989			164,632	164,632											
10	1990			249,441	249,441											
11	1991			134,339	134,339											
12	1992			94,270	94,270											
13	1993			80,131	80,131											
14	1994			68,801	68,801											
15	1995			62,261	62,261											
16	1996	79,282		65,341	144,623											
17	1997	866,506	119,908	71,604	1,058,018											
18	1998	1,543,914	277,396	60,304	1,881,614											
19	1999	1,855,070	369,514	69,987	2,294,571											
20	2000	1,890,767	498,152	62,241	2,451,160											
21	2001-2005	5,256,310	4,054,958	379,573	9,690,841											
22	2006-2010	2,536,394	1,953,297	231,067	4,720,758											
23	2011-2015	2,331,107	1,029,421	203,957	3,564,485											
24	2016-2020	1,124,450	207,964	257,325	1,589,739											
25	2021-2025	198,947	(6,278)	123,073	315,742											
26	2026-2030	4,033	(6,278)	157,738	155,493											
27	2031-2035	807	(1,256)	-	(449)											
28																
29	Total	17,687,587	8,496,798	2,741,805	28,926,190											
30																
31	Payroll	11,228	1,868	11,350	24,446	thru 2019										
32	Payroll	2,823	470	2,853	6,146	thru 2028										
33																
34																
35																
36	New ARAM amort extending	82.68%	of gen thru 2053 for SJ life extension													
37																
38	Year	Prod	T&D	General	Total ARAM	w/ P/R										
39																
40																
41	Bal 9/30/15	1,444,792	245,623	548,334	2,238,749											
42							2015 unextended	2015 Extended	2016-20 unextended	2016-20 Extended	2021-25 unextended	2021-25 Extended	2026-30 unextended	2026-30 Extended	2031-35 unextended	2031-35 Extended
43	2015 (1 qtr)	20,817	51,471	10,198	82,486	88,598	20,187	630								
44	2016	65,936	41,593	51,465	158,994	183,440		2,519	38,951	24,466						
45	2017	65,936	41,593	51,465	158,994	183,440		2,519	38,951	24,466						
46	2018	65,936	41,593	51,465	158,994	183,440		2,519	38,951	24,466						
47	2019	65,936	41,593	51,465	158,994	183,440		2,519	38,951	24,466						
48	2020	65,936	41,593	51,465	158,994	165,140		2,519	38,951	24,466						
49	2021	38,861	(1,256)	24,615	62,220	68,366		2,519		24,466	6,892	4,985				
50	2022	38,861	(1,256)	24,615	62,220	68,366		2,519		24,466	6,892	4,985				
51	2023	38,861	(1,256)	24,615	62,220	68,366		2,519		24,466	6,892	4,985				

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	PNM Exhibit MFH-2															
2	ADIT-14: ARAM Reversals and Excess Deferred Income Taxes															
3	Hyperlink to Lead Sheet															
4	Source: Company Records															
52	2024	38,861	(1,256)	24,615	62,220	68,366		2,519	24,466	6,892	4,985					
53	2025	38,861	(1,256)	24,615	62,220	68,366		2,519	24,466	6,892	4,985					
54	2026	32,228	(1,256)	31,548	62,520	68,666		2,519	24,466		4,985	140	119			
55	2027	32,228	(1,256)	31,548	62,520	68,666		2,519	24,466		4,985	140	119			
56	2028	32,228	(1,256)	31,548	62,520	68,666		2,519	24,466		4,985	140	119			
57	2029	32,228	(1,256)	31,548	62,520	62,520		2,519	24,466		4,985	140	119			
58	2030	32,228	(1,256)	31,548	62,520	62,520		2,519	24,466		4,985	140	119			
59	2031	32,146	(251)	-	31,894	31,894		2,519	24,466		4,985		119	28	29	
60	2032	32,146	(251)	-	31,894	31,894		2,519	24,466		4,985		119	28	29	
61	2033	32,146	(251)	-	31,894	31,894		2,519	24,466		4,985		119	28	29	
62	2034	32,146	(251)	-	31,894	31,894		2,519	24,466		4,985		119	28	29	
63	2035	32,146	(251)	-	31,894	31,894		2,519	24,466		4,985		119	28	29	
64	2036	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
65	2037	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
66	2038	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
67	2039	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
68	2040	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
69	2041	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
70	2042	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
71	2043	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
72	2044	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
73	2045	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
74	2046	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
75	2047	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
76	2048	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
77	2049	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
78	2050	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
79	2051	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
80	2052	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
81	2053	32,118			32,118	32,118		2,519	24,466		4,985		119		29	
82																
83	Total	1,444,792	245,623	548,334	2,238,749		20,187	96,358	194,755	929,695	34,458	164,489	699	3,334	140	667

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	PNM Exhibit MFH-2												
2	ADIT-15: AFUDC - Linkage & Test Periods												
3	<u>Hyperlink to Lead Sheet</u>												
4	Source: Cost of Service Department												
5	See testimony of PNM Witness Buchanan												
6					FY15	FY15	FY15	FY15	FY15	Working	Budget		
7					Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
8	419100~AC - AFUDC-Equity	PNM_ELECT	Project Sum	929~CT - AF	(81,793)	(79,311)	(76,561)	(75,185)	(77,750)	(77,324)	(48,621)	(38,167)	(37,902)
9	419100~AC - AFUDC-Equity	PNM_TRAN	Project Sum	929~CT - AF	(228,442)	(250,850)	(263,485)	(271,494)	(278,786)	(285,376)	(306,961)	(327,428)	(320,010)
10	419100~AC - AFUDC-Equity	PNM_BULK	Project Sum	929~CT - AF	(418,300)	(337,432)	(380,340)	(449,500)	(538,371)	(617,245)	(697,392)	(759,945)	(537,701)
11	432000~AC - AFUDC-Debt	PNM_ELECT	Project Sum	928~CT - AF	(57,285)	(55,547)	(53,621)	(52,657)	(54,454)	(54,155)	(34,053)	(26,731)	(26,546)
12	432000~AC - AFUDC-Debt	PNM_TRAN	Project Sum	928~CT - AF	(159,994)	(175,688)	(184,537)	(190,146)	(195,254)	(199,869)	(214,986)	(229,321)	(224,126)
13	432000~AC - AFUDC-Debt	PNM_BULK	Project Sum	928~CT - AF	(292,965)	(236,328)	(266,379)	(314,817)	(377,059)	(432,300)	(488,433)	(532,243)	(376,590)
14					(1,238,779)	(1,135,155)	(1,224,924)	(1,353,799)	(1,521,675)	(1,666,269)	(1,790,446)	(1,913,836)	(1,522,875)
15	AFUDC Adjustments												
16	100AFU08 - AFUDC-Albuquerque Electric Service				-	-	-	-	-	-	-	-	-
17	155AFU08 - AFUDC-Silver City Services Dis				-	-	-	-	-	-	-	-	-
18	220AFU08 - AFUDC-TNMP NM Transm Genera				-	-	-	-	-	-	-	-	-
19	650AFU08 - AFUDC-Transmission Genera				-	-	-	-	-	-	-	-	-
20	703AFU08 - AFUDC-Lordsbur				-	-	-	-	-	-	-	-	-
21	715AFU08 - AFUDC-Four Corners Power Statio				-	-	-	-	-	-	-	-	-
22	721AFU08 - AFUDC-Palo Verde Unit				-	-	-	-	-	-	-	-	-
23	722AFU08 - AFUDC-Palo Verde Unit				-	-	-	-	-	-	-	-	-
24	724AFU08 - AFUDC-Palo Verde Common All Unit				-	-	-	-	-	-	-	-	-
25	764AFU08 - AFUDC-San Juan Unit				-	-	-	-	-	-	-	-	-
26	765AFU08 - AFUDC-San Juan Common U1 And U				-	-	-	-	-	-	-	-	-
27	766AFU08 - AFUDC-San Juan Common All Unit				-	-	-	-	-	-	-	-	-
28	779AFU08 - AFUDC-SJ Swyd Misc 50p PNM-50p TE				-	-	-	-	-	-	-	-	-
29													
30													
31					(1,238,779)	(1,135,155)	(1,224,924)	(1,353,799)	(1,521,675)	(1,666,269)	(1,790,446)	(1,913,836)	(1,522,875)
32													
33													
34	Total AFUDC Equity				(728,535)	(667,593)	(720,386)	(796,179)	(894,908)	(979,945)	(1,052,974)	(1,125,540)	(895,613)
35	Total AFUDC Debt				(510,244)	(467,562)	(504,537)	(557,620)	(626,767)	(686,324)	(737,472)	(788,295)	(627,261)

	A	B	C	D	N	O	P	Q	R	S	T	U	V
1	PNM Exhibit MFH-2												
2	ADIT-15: AFUDC - Linkage & Test Periods												
3	<u>Hyperlink to Lead Sheet</u>												
4	Source: Cost of Service Department												
5	See testimony of PNM Witness Buchanan												
6					FY16								
7					Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
8	419100~AC - AFUDC-Equity	PNM_ELECT	Project Sum	929~CT - AF	-	-	-	-	-	-	-	-	-
9	419100~AC - AFUDC-Equity	PNM_TRAN	Project Sum	929~CT - AF	-	-	-	-	-	-	-	-	-
10	419100~AC - AFUDC-Equity	PNM_BULK	Project Sum	929~CT - AF	-	-	-	-	-	-	-	-	-
11	432000~AC - AFUDC-Debt	PNM_ELECT	Project Sum	928~CT - AF	(6,455)	(7,495)	(8,734)	(10,510)	(11,918)	(13,762)	(8,877)	(8,437)	(9,460)
12	432000~AC - AFUDC-Debt	PNM_TRAN	Project Sum	928~CT - AF	(148,685)	(137,099)	(133,014)	(125,870)	(130,263)	(77,743)	(39,327)	(39,132)	(40,239)
13	432000~AC - AFUDC-Debt	PNM_BULK	Project Sum	928~CT - AF	(178,963)	(140,538)	(150,081)	(155,822)	(147,805)	(151,061)	(152,098)	(166,116)	(174,809)
14					(334,103)	(285,132)	(291,829)	(292,203)	(289,986)	(242,566)	(200,301)	(213,685)	(224,508)
15	AFUDC Adjustments												
16	100AFU08 - AFUDC-Albuquerque Electric Service				-	-	-	-	-	-	5,734	6,026	6,946
17	155AFU08 - AFUDC-Silver City Services Dis				-	-	-	-	-	-	865	921	982
18	220AFU08 - AFUDC-TNMP NM Transm Genera				-	-	-	-	-	-	178	78	97
19	650AFU08 - AFUDC-Transmission Genera				-	-	-	-	-	-	28,372	29,949	31,723
20	703AFU08 - AFUDC-Lordsbur				-	-	-	-	-	-	133	-	33
21	715AFU08 - AFUDC-Four Corners Power Statio				-	-	-	-	-	-	19,011	20,612	21,827
22	721AFU08 - AFUDC-Palo Verde Unit				-	-	-	-	-	-	10,169	10,595	9,910
23	722AFU08 - AFUDC-Palo Verde Unit				-	-	-	-	-	-	10,054	10,436	10,767
24	724AFU08 - AFUDC-Palo Verde Common All Unit				-	-	-	-	-	-	28,133	28,193	29,676
25	764AFU08 - AFUDC-San Juan Unit				-	-	-	-	-	-	29	87	145
26	765AFU08 - AFUDC-San Juan Common U1 And U				-	-	-	-	-	-	200	295	296
27	766AFU08 - AFUDC-San Juan Common All Unit				-	-	-	-	-	-	2,757	4,323	6,589
28	779AFU08 - AFUDC-SJ Swyd Misc 50p PNM-50p TE				-	-	-	-	-	-	251	252	252
29					-	-	-	-	-	-	105,886	111,767	119,242
30													
31					(334,103)	(285,132)	(291,829)	(292,203)	(289,986)	(242,566)	(94,415)	(101,918)	(105,266)
32													
33													
34	Total AFUDC Equity				-	-	-	-	-	-	-	-	-
35	Total AFUDC Debt				(334,103)	(285,132)	(291,829)	(292,203)	(289,986)	(242,566)	(94,415)	(101,918)	(105,266)

Income Tax Expense Workpapers

PNM Exhibit MFH-3

Is contained in the following 55 pages.