PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP Labor

Is contained in the following 17 pages.

	A	B	C	D	E
1	PNM Exhibit HEM -4				
2	WP Labor - Lead Sheet				
3					
4					
5				*Provides Information To*	*Requires Information From*
6	*Tab Reference*	*Description*	*Purpose*	*Tab name*	*Tab name*
7	WP-LA-1	PNM Labor for the base and test period.	Summary of PNM Labor, base period, adjusted base period, and test period amounts. Labor consists of straight time, paid absence, vacation, illness, holiday and time off allowances.	WP OM - O&M Workpaper.xlsx; WP OM-3, WP OM-4	WP-LA-4
8	WP-LA-2	PNMR Services Company Labor for the base and test period.	Summary of Shared Services labor, base period, adjusted base period and test period amounts.	WP SS-Shared Services.xlsx; WP-SS-	WP-LA-5
9	WP-LA-3	San Juan Generating Station Labor for the base and test period.	Provides a summary of labor amounts for San Juan Generating Station, including normalization and escalation adjustments and the test period labor amount included in the filing. Labor consists of straight time, paid absence, vacation, illness, holiday and time off allowances.	WP OM - O&M Workpaper.xlsx; WP OM-3, WP OM-4	WP-LA-6
10	WP-LA-4	PNM Labor Normalization	Calculates normalization of PNM labor for base period, and development of linkage data and test period labor expenses with escalation.	WP-LA-1	Manual Inputs
11	WP-LA-5	PNMR Services Company Labor Normalization	Calculates normalization and payroll taxes of Shared Services labor for base period, and development of linkage data and test period labor expenses with escalation.	WP-LA-2	WP-LA-10
12	WP-LA-6	San Juan Generating Station Labor Normalization	Provides the calculation of labor normalization and payroll taxes for San Juan Generating Station through the test period. Labor is adjusted for the attrition at San Juan.	WP-LA-3, WP GT - General Taxes Workpaper.xlsx; WP GT-4	WP-LA-10
13	WP-LA-7	PNM Overtime	Calculates PNM, excluding SJGS, overtime expenses and associated payroll taxes for linkage data and test period, using labor escalation rates.	WP OM - O&M Workpaper.xlsx; WP OM-4, WP GT - General Taxes Workpaper.xlsx; WP GT-4	WP-LA-10
14	WP-LA-8	Services Company Overtime	Calculates Shared Services overtime expenses and associated payroll taxes for linkage data and test period, using labor escalation rates.	WP SS-Shared Services.xlsx; WP SS-9, WP SS-12	WP-LA-10
15	WP-LA-9	San Juan Generation Station overtime.	Calculates PNM - SJGS (PNM Share) overtime expenses and payroll taxes for linkage data and test period, using labor escalation rates.	WP OM - O&M Workpaper.xlsx; WP OM-4, WP GT - General Taxes Workpaper.xlsx; WP GT-4	WP-LA-10
16	WP-LA-10	PNM Payroll Tax	Calculates the payroll taxes for PNM labor, excluding SJGS and PNMR Services for the linkage and test period.	WP OM - O&M Workpaper.xlsx; WP OM-4, WP GT - General Taxes Workpaper.xlsx; WP GT-4	Manual Inputs

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit HEM-4									
2	WP LA-1:Summary of PNM Direct Labor									
3	PNM labor (excluding San Juan and Shared Services) consists of straight-time, paid absence, vacation, illness, holiday and time off allowances.									
4	Base period data is historical information from the Company's Books and Records.									
5	Hyperlink to Lead Sheet									
6										
7										
8				WP OM-3, Column G	WP OM-4, Column H		WP OM-4, Column Y			
9	Description	FERC	Base Period	Labor Adjustment PNM	Adjusted Base	Escalation Adjustment	Test Period	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
15	Total Operation Supervision and Engineering	500	286,300	127,070	413,370	15,631	429,001	15,631	3.78%	Escalation Adjustment
21	Total Steam Expenses	502	125,714	(55,908)	69,806	2,108	71,915	2,108	3.02%	Escalation Adjustment
28	Total Electric Expenses	505	752,741	(4,603)	748,138	22,594	770,732	22,594	3.02%	Escalation Adjustment
34	Total Misc. Steam Power Expenses	506	43,865	82,995	126,860	4,195	131,055	4,195	3.31%	Escalation Adjustment
41	Total Maintenance Supervision and Engin	510	89,653	10,410	100,063	3,784	103,847	3,784	3.78%	Escalation Adjustment
45	Total Maintenance Supervision and Engin	510-Renew	2,315	(2,315)	-	-	-	-	0.00%	N/A
52	Total Maintenance of Structures	511	304,048	336	304,384	9,459	313,843	9,459	3.11%	Escalation Adjustment
59	Total Maintenance of Boiler Plants	512	130,226	(7,067)	123,158	3,999	127,157	3,999	3.25%	Escalation Adjustment
64	Total Maintenance of Electric Plant	513	48,794	(5,869)	42,924	1,524	44,449	1,524	3.55%	Escalation Adjustment
68	Total Maintenance of Misc Electric Plant	514	5,176	(3,329)	1,847	70	1,916	70	3.78%	Escalation Adjustment
75	Total Operation Supervision and Engineering	546	454,031	(40,040)	413,991	15,654	429,645	15,654	3.78%	Escalation Adjustment
80	Total Misc. Other Power Expenses	549-Renew	27,187	114,383	141,570	(141,570)	-	(141,570)	-100.00%	Removed renewable labor
84	Total Maintenance of Structures	552	80,516	46,867	127,383	186,696	314,079	186,696	146.56%	Escalation Adjustment; Headcount increase for La Luz
91	Total Maintenance of Gen and Electric Plant	553	1,469,730	(34,211)	1,435,519	43,496	1,479,015	43,496	3.03%	Escalation Adjustment
96	Total Maintenance of Gen and Electric Plant	553-Renew	65,811	(65,811)	-	-	-	-	0.00%	N/A
104	Total System Control and Load Dispatching	556	2,035,812	280,921	2,316,733	87,601	2,404,335	87,601	3.78%	Escalation Adjustment
112	Total Operation Supervision and Engineering	560	1,347,995	29,385	1,377,381	52,082	1,429,463	52,082	3.78%	Escalation Adjustment
118	Total Load Dispatching	561	996,240	30,253	1,026,493	38,814	1,065,308	38,814	3.78%	Escalation Adjustment
123	Total Station Expenses	562	173,610	75,311	248,921	8,157	257,078	8,157	3.28%	Escalation Adjustment
128	Total Overhead Lines Expenses	563	68,215	93,859	162,074	4,895	166,968	4,895	3.02%	Escalation Adjustment
136	Total Misc. Transmission Expenses	566	572,024	13,024	585,048	21,123	606,171	21,123	3.61%	Escalation Adjustment
140	Total Rents	567	4,924	(4,924)	-	-	-	-	0.00%	N/A
145	Total Maintenance Supervision and Engin	568	4,642	1,796	6,438	243	6,682	243	3.78%	Escalation Adjustment
149	Total Maintenance of Structures	569	545	(545)	-	-	-	-	0.00%	N/A
157	Total Maintenance of Station Equipment	570	1,325,680	(25,703)	1,299,976	41,609	1,341,585	41,609	3.20%	Escalation Adjustment
162	Total Maintenance of Overhead Lines	571	142,915	(80,823)	62,092	1,942	64,033	1,942	3.13%	Escalation Adjustment
166	Total Maintenance Transmission Plant	574	3,245	(1,269)	1,976	60	2,036	60	3.02%	Escalation Adjustment
174	Total Operation Supervision and Engineering	580	1,621,221	17,669	1,638,890	61,791	1,700,681	61,791	3.77%	Escalation Adjustment
178	Total Load Dispatching	581	6,417	(6,417)	-	-	-	-	0.00%	N/A
182	Total Station Expenses	582	52,613	(43,722)	8,891	336	9,228	336	3.78%	Escalation Adjustment
188	Total Overhead Lines Expenses	583	1,374,099	(300,419)	1,073,680	32,637	1,106,317	32,637	3.04%	Escalation Adjustment
193	Total Underground Lines Expenses	584	431,866	(145,915)	285,951	8,636	294,587	8,636	3.02%	Escalation Adjustment
197	Total Underground Lines Expenses	584-Renew	10,208	2,662	12,870	(12,870)	-	(12,870)	-100.00%	Removed renewable labor
201	Total Street Lighting & Signal System Exp	585	73,675	2,382	76,057	2,876	78,932	2,876	3.78%	Escalation Adjustment
209	Total Meter Expenses	586	1,987,825	721,920	2,709,746	82,770	2,792,516	82,770	3.05%	Escalation Adjustment
217	Total Misc. Expenses	588	3,807,706	(47,870)	3,759,836	126,650	3,886,486	126,650	3.37%	Escalation Adjustment
221	Total Rents	589	4,795	(4,795)	-	-	-	-	0.00%	N/A
227	Total Maintenance Supervision and Engin	590	162,564	(41,336)	121,229	4,584	125,813	4,584	3.78%	Escalation Adjustment
235	Total Maintenance of Station Equipment	592	684,728	(32,474)	652,253	20,332	672,586	20,332	3.12%	Escalation Adjustment
242	Total Maintenance of Overhead Lines	593	397,404	828	398,231	13,602	411,833	13,602	3.42%	Escalation Adjustment
247	Total Maintenance of Underground Lines	594	486,034	91,089	579,123	17,632	596,755	17,632	3.04%	Escalation Adjustment
251	Total Maintenance of Line Transformers	595	(194)	194	-	-	-	-	0.00%	N/A
257	Total Maintenance of Street Lighting & Signal Systems	596	651,725	42,140	693,865	21,183	715,048	21,183	3.05%	Escalation Adjustment
263	Total Maintenance of Meters	597	287,169	(36,075)	251,094	8,145	259,239	8,145	3.24%	Escalation Adjustment
269	Total Supervision	901	119,701	425	120,126	4,542	124,668	4,542	3.78%	Escalation Adjustment
276	Total Meter Reading Expenses	902	2,995,229	113,334	3,108,557	117,542	3,226,099	117,542	3.78%	Escalation Adjustment
283	Total Customer Records and Collection Exp	903	3,858,518	120,917	3,979,435	150,274	4,129,709	150,274	3.78%	Escalation Adjustment
289	Total Customer Service & Informational Exp	906	168,188	118,000	286,187	10,821	297,009	10,821	3.78%	Escalation Adjustment
294	Total Customer Assistance Expenses	908	494,735	(57,102)	437,632	16,548	454,180	16,548	3.78%	Escalation Adjustment
301	Total Demonstrating and Selling Expenses - Non Production	912	3,016,033	(153,746)	2,862,287	108,230	2,970,517	108,230	3.78%	Escalation Adjustment
305	Total Sales Expenses	917	1,284	(1,284)	-	-	-	-	0.00%	N/A
311	Total Administrative & General Salaries - Production	920	2,478,131	19,659	2,497,790	94,448	2,592,238	94,448	3.78%	Escalation Adjustment
318	Total Administrative & General Salaries - Transmission	920	14,854	70,825	85,679	3,240	88,919	3,240	3.78%	Escalation Adjustment
325	Total Administrative & General Salaries - Distribution	920	199,642	72,856	272,498	10,304	282,802	10,304	3.78%	Escalation Adjustment
330	Total Injuries and Damages - Transmission	925	289	(289)	-	-	-	-	0.00%	N/A
336	Total Injuries and Damages - Distribution	925	3,719	6,161	9,880	298	10,178	298	3.02%	Escalation Adjustment
339	Total Employee Pensions and Benefits - Transmission	926	(1,374)	1,374	-	-	-	-	0.00%	N/A
342	Total Employee Pensions and Benefits - Distribution	926	(11,274)	11,274	-	-	-	-	0.00%	N/A
346	Total Regulatory Commission Expenses - Production	928	491,922	(54,813)	437,109	16,528	453,637	16,528	3.78%	Escalation Adjustment
350	Total Maintenance of General Plant - Production	935	64	(64)	-	-	-	-	0.00%	N/A
358	Total Maintenance of General Plant - Transmission	935	322,661	(31,119)	291,542	9,273	300,815	9,273	3.18%	Escalation Adjustment
364	Total Maintenance of General Plant - Distribution	935	94,245	(69,667)	24,578	876	25,454	876	3.56%	Escalation Adjustment
365										
366	Total		36,850,370	960,793	37,811,163	1,355,394	39,166,557	1,355,394		
367										
368										
369	Total Labor		36,850,370	960,793	37,811,163	1,355,394	39,166,557			
370										
371	Note: The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.									

	A	B	C	D	E	F	G	H	I	J	K
1	PNM Exhibit HEM-4										
2	WP LA-2: Summary of Shared Services Labor										
3	Shared Services labor consists of straight-time, paid absence, vacation, illness, holiday and time off allowances.										
4	Base period data is historical information from the Company's Books and Records.										
5	Hyperlink to Lead Sheet										
6					WP SS-1, Column Q	WP-SS-1, Column AC		WP SS-1, Column AL			
7	Location	Base Period	Legal Non Allowable	Adjusted Base Period	Normalize Labor Adjustment	Adjusted Base Period	Escalation Adjustment	Test Period	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
13	**911 Total**	**4,768,214**	**-**	**4,768,214**	**(347,329)**	**4,420,885**	**167,165**	**4,588,049**	**167,165**	3.78%	Escalation Adjustment
19	**912 Total**	**341,631**	**-**	**341,631**	**5,479**	**347,109**	**13,125**	**360,234**	**13,125**	3.78%	Escalation Adjustment
25	**914 Total**	**343,720**	**-**	**343,720**	**(29,377)**	**314,343**	**11,886**	**326,229**	**11,886**	3.78%	Escalation Adjustment
31	**924 Total**	**1,585,961**	**-**	**1,585,961**	**(267,477)**	**1,318,484**	**49,855**	**1,368,340**	**49,855**	3.78%	Escalation Adjustment
37	**941 Total**	**10,651,559**	**5,597**	**10,645,963**	**(916,953)**	**9,729,010**	**367,878**	**10,096,888**	**367,878**	3.78%	Escalation Adjustment
42	**942 Total**	**1,367,299**	**1,247**	**1,366,052**	**119,663**	**1,485,715**	**56,179**	**1,541,894**	**56,179**	3.78%	Escalation Adjustment
47	**946 Total**	**1,569,938**	**24,612**	**1,545,326**	**(245,166)**	**1,300,160**	**49,162**	**1,349,322**	**49,162**	3.78%	Escalation Adjustment
52	**947 Total**	**285,379**	**26,874**	**258,505**	**(1,498)**	**257,007**	**9,718**	**266,725**	**9,718**	3.78%	Escalation Adjustment
57	**948 Total**	**695,645**	**54**	**695,590**	**126,953**	**822,543**	**31,102**	**853,646**	**31,102**	3.78%	Escalation Adjustment
63	**951 Total**	**2,074,049**	**-**	**2,074,049**	**109,698**	**2,183,747**	**82,573**	**2,266,320**	**82,573**	3.78%	Escalation Adjustment
69	**953 Total**	**1,368,200**	**-**	**1,368,200**	**(70,299)**	**1,297,901**	**49,077**	**1,346,978**	**49,077**	3.78%	Escalation Adjustment
74	**963 Total**	**389,712**	**-**	**389,712**	**22,949**	**412,661**	**15,604**	**428,265**	**15,604**	3.78%	Escalation Adjustment
78	**964 Total**	**5,673**	**-**	**5,673**	**(5,673)**	**-**	**-**	**-**	**-**	0.00%	N/A
84	**968 Total**	**4,298,124**	**-**	**4,298,124**	**409,824**	**4,707,948**	**178,019**	**4,885,967**	**178,019**	3.78%	Escalation Adjustment
87	**974 Total**	**12,673**	**-**	**12,673**	**(12,673)**	**-**	**-**	**-**	**-**	0.00%	N/A
93	**977 Total**	**545,693**	**-**	**545,693**	**113,517**	**659,210**	**24,926**	**684,136**	**24,926**	3.78%	Escalation Adjustment
96	**980 Total**	**29,361**	**-**	**29,361**	**(16,693)**	**12,668**	**479**	**13,147**	**479**	3.78%	Escalation Adjustment
102	**993 Total**	**3,206,878**	**-**	**3,206,878**	**284,581**	**3,491,459**	**132,021**	**3,623,480**	**132,021**	3.78%	Escalation Adjustment
105	**999 Total**	**(28,204)**	**-**	**(28,204)**	**210,077**	**181,874**	**6,877**	**188,751**	**6,877**	3.78%	Escalation Adjustment
106											
107	Grand Total	**33,511,507**	**58,384**	**33,453,123**	**(510,398)**	**32,942,725**	**1,245,647**	**34,188,372**	**1,245,647**		
108											
109	Note: The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.										

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit HEM-4									
2	WP LA-3: Summary of San Juan Generating Station Labor									
3	San Juan labor consists of straight-time, paid absence, vacation, illness, holiday and time off allowances.									
4	Base period data is historical information from the Company's Books and Records.									
5	Hyperlink to Lead Sheet									
6										
7										
8										
9										
10										
11				WP OM-3, Column H	WP OM-4, Column I		WP OM-4, Column Z			
12	Description	FERC	Base Period	Normalize Labor Adjustment	Adjusted Base Period	Escalation Adjustment	Test Period	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
21	Total Operation Supervision and Engineering	500	1,556,782	44,602	1,601,384	60,552	1,661,936	60,552	3.78%	Escalation Adjustment
30	Total Steam Expenses	502	1,688,417	(215,650)	1,472,767	44,478	1,517,244	44,478	3.02%	Escalation Adjustment
39	Total Electric Expenses	505	1,346,228	(54,248)	1,291,980	39,018	1,330,998	39,018	3.02%	Escalation Adjustment
48	Total Misc. Steam Power Expenses	506	623,079	(177,547)	445,531	16,840	462,371	16,840	3.78%	Escalation Adjustment
57	Total Maintenance Supervision and Engin	510	1,642,804	(176,420)	1,466,385	55,448	1,521,832	55,448	3.78%	Escalation Adjustment
66	Total Maintenance of Structures	511	856,888	(338,892)	517,996	15,643	533,639	15,643	3.02%	Escalation Adjustment
75	Total Maintenance of Boiler Plants	512	3,606,804	(246,970)	3,359,834	104,600	3,464,434	104,600	3.11%	Escalation Adjustment
84	Total Maintenance of Electric Plant	513	601,203	178,743	779,946	23,900	803,847	23,900	3.06%	Escalation Adjustment
93	Total Maintenance of Misc Electric Plant	514	670,904	(197,201)	473,703	14,306	488,009	14,306	3.02%	Escalation Adjustment
98	Total System Control and Load Dispatching	556	3,656	(3,656)	-	-	-	-	0.00%	N/A
103	Total Maintenance of Station Equipment	570	8,284	(8,284)	-	-	-	-	0.00%	N/A
110	Total Administrative & General Salaries - Production	920	188,879	(137,842)	51,037	1,930	52,967	1,930	3.78%	Escalation Adjustment
115	Total Maintenance of General Plant - Production	935	74	(74)	-	-	-	-	0.00%	N/A
116										
117	Total		12,794,001	(1,333,437)	11,460,564	376,714	11,837,278	376,714		
118										
119	Note: The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.									

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	PNM Exhibit HEM-4													
2	WP LA-4: PNM Normalized Labor													
3	Base period data is historical information from the Company's Books and Records.													
4	Hyperlink to Lead Sheet													
5				WP LA-1, Column E	Note 2:									
6	Description	FERC	March 27, 2015 Pay Period	Normalize Base Period Column C*26	Escalation 2% - Union 2.5 % - Non Union	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
11	Total Operation Supervision and Engineering	500-NU	15,899	413,370	423,704	35,309	35,309	35,309	35,309	35,309	35,309	35,309	35,309	35,309
14	Total Steam Expenses	502-U	2,685	69,806	71,202	5,934	5,934	5,934	5,934	5,934	5,934	5,934	5,934	5,934
20	Total Electric Expenses	505-U	28,775	748,138	763,101	63,592	63,592	63,592	63,592	63,592	63,592	63,592	63,592	63,592
23	Total Misc. Steam Power Expenses	506-NU	1,838	47,799	48,994	4,083	4,083	4,083	4,083	4,083	4,083	4,083	4,083	4,083
26	Total Misc. Steam Power Expenses	506-U	3,041	79,061	80,642	6,720	6,720	6,720	6,720	6,720	6,720	6,720	6,720	6,720
29	Total Maintenance Supervision and Engin	510-NU	3,849	100,063	102,565	8,547	8,547	8,547	8,547	8,547	8,547	8,547	8,547	8,547
32	Total Maintenance of Structures	511-NU	1,348	35,049	35,925	2,994	2,994	2,994	2,994	2,994	2,994	2,994	2,994	2,994
37	Total Maintenance of Structures	511-U	10,359	269,335	274,721	22,893	22,893	22,893	22,893	22,893	22,893	22,893	22,893	22,893
41	Total Maintenance of Boiler Plants	512_NU	1,410	36,670	37,587	3,132	3,132	3,132	3,132	3,132	3,132	3,132	3,132	3,132
46	Total Maintenance of Boiler Plants	512-U	3,326	86,488	88,218	7,351	7,351	7,351	7,351	7,351	7,351	7,351	7,351	7,351
49	Total Maintenance of Electric Plant	513-NU	1,153	29,974	30,723	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560
52	Total Maintenance of Electric Plant	513-U	498	12,951	13,210	1,101	1,101	1,101	1,101	1,101	1,101	1,101	1,101	1,101
55	Total Maintenance of Misc Electric Plant	514-NU	71	1,847	1,893	158	158	158	158	158	158	158	158	158
59	Total Operation Supervision and Enginering	546-NU	15,923	413,991	424,340	35,362	35,362	35,362	35,362	35,362	35,362	35,362	35,362	35,362
62	Total Misc. Other Power Expenses	549-NU Renew	5,445	141,570	-	-	-	-	-	-	-	-	-	-
65	Total Maintenance of Structures	552-NU	4,118	107,069	109,745	9,145	9,145	9,145	9,145	9,145	9,145	9,145	9,145	9,145
68	Total Maintenance of Structures	552-U	781	20,314	20,721	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727
71	Total Maintenance of Gen and Electric Plant	553-NU	726	18,872	19,344	1,612	1,612	1,612	1,612	1,612	1,612	1,612	1,612	1,612
77	Total Maintenance of Gen and Electric Plant	553-U	54,486	1,416,646	1,444,979	120,415	120,415	120,415	120,415	120,415	120,415	120,415	120,415	120,415
82	Total System Control and Load Dispatching	556-NU	89,105	2,316,733	2,374,652	197,888	197,888	197,888	197,888	197,888	197,888	197,888	197,888	197,888
87	Total Operation Supervision and Engineering	560-NU	52,976	1,377,381	1,411,815	117,651	117,651	117,651	117,651	117,651	117,651	117,651	117,651	117,651
90	Total Load Dispatching	561-NU	39,481	1,026,493	1,052,156	87,680	87,680	87,680	87,680	87,680	87,680	87,680	87,680	87,680
93	Total Station Expenses	562-NU	3,233	84,064	86,166	7,180	7,180	7,180	7,180	7,180	7,180	7,180	7,180	7,180
96	Total Station Expenses	562-U	6,341	164,857	168,154	14,013	14,013	14,013	14,013	14,013	14,013	14,013	14,013	14,013
99	Total Overhead Lines Expenses	563-U	6,234	162,074	165,315	13,776	13,776	13,776	13,776	13,776	13,776	13,776	13,776	13,776
104	Total Misc. Transmission Expenses	566-NU	17,453	453,782	465,127	38,761	38,761	38,761	38,761	38,761	38,761	38,761	38,761	38,761
108	Total Misc. Transmission Expenses	566-U	5,049	131,265	133,891	11,158	11,158	11,158	11,158	11,158	11,158	11,158	11,158	11,158
111	Total Maintenance Supervision and Engin	568-NU	248	6,438	6,599	550	550	550	550	550	550	550	550	550
115	Total Maintenance of Station Equipment	570-NU	11,871	308,652	316,369	26,364	26,364	26,364	26,364	26,364	26,364	26,364	26,364	26,364
121	Total Maintenance of Station Equipment	570-U	38,128	991,324	1,011,151	84,263	84,263	84,263	84,263	84,263	84,263	84,263	84,263	84,263
124	Total Maintenance of Overhead Lines	571-NU	337	8,750	8,969	747	747	747	747	747	747	747	747	747
127	Total Maintenance of Overhead Lines	571-U	2,052	53,342	54,408	4,534	4,534	4,534	4,534	4,534	4,534	4,534	4,534	4,534
130	Total Maintenance Transmission Plant	574-U	76	1,976	2,016	168	168	168	168	168	168	168	168	168
135	Total Operation Supervision and Engineering	580-NU	62,127	1,615,312	1,655,695	137,975	137,975	137,975	137,975	137,975	137,975	137,975	137,975	137,975
140	Total Operation Supervision and Engineering	580-U	907	23,578	24,050	2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004	2,004
143	Total Station Expenses	582-NU	342	8,891	9,114	759	759	759	759	759	759	759	759	759
146	Total Overhead Lines Expenses	583-NU	1,068	27,768	28,462	2,372	2,372	2,372	2,372	2,372	2,372	2,372	2,372	2,372
150	Total Overhead Lines Expenses	583-U	40,227	1,045,912	1,066,830	88,903	88,903	88,903	88,903	88,903	88,903	88,903	88,903	88,903

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	PNM Exhibit HEM-4													
2	WP LA-4: PNM Normalized Labor													
3	Base period data is historical information from the Company's Books and Records.													
4	Hyperlink to Lead Sheet													
5				WP LA-1, Column E	Note 2:									
6	Description	FERC	March 27, 2015 Pay Period	Normalize Base Period Column C*26	Escalation 2% - Union 2.5 % - Non Union	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
153	Total Underground Lines Expenses	584-NU-Renew	495	12,870	-	-	-	-	-	-	-	-	-	-
156	Total Underground Lines Expenses	584-U	10,998	285,951	291,670	24,306	24,306	24,306	24,306	24,306	24,306	24,306	24,306	24,306
159	Total Street Lighting & Signal System Exp	585-NU	2,925	76,057	77,958	6,496	6,496	6,496	6,496	6,496	6,496	6,496	6,496	6,496
164	Total Meter Expenses	586-NU	4,727	122,908	125,981	10,498	10,498	10,498	10,498	10,498	10,498	10,498	10,498	10,498
171	Total Meter Expenses	586-U	99,494	2,586,838	2,638,575	219,881	219,881	219,881	219,881	219,881	219,881	219,881	219,881	219,881
176	Total Misc. Expenses	588-NU	66,203	1,721,269	1,764,301	147,025	147,025	147,025	147,025	147,025	147,025	147,025	147,025	147,025
183	Total Misc. Expenses	588-U	78,406	2,038,567	2,079,339	173,278	173,278	173,278	173,278	173,278	173,278	173,278	173,278	173,278
186	Total Maintenance Supervision and Engin	590-NU	4,663	121,229	124,259	10,355	10,355	10,355	10,355	10,355	10,355	10,355	10,355	10,355
191	Total Maintenance of Station Equipment	592-NU	3,205	83,336	85,419	7,118	7,118	7,118	7,118	7,118	7,118	7,118	7,118	7,118
197	Total Maintenance of Station Equipment	592-U	21,881	568,917	580,296	48,358	48,358	48,358	48,358	48,358	48,358	48,358	48,358	48,358
201	Total Maintenance of Overhead Lines	593-NU	7,960	206,950	212,124	17,677	17,677	17,677	17,677	17,677	17,677	17,677	17,677	17,677
205	Total Maintenance of Overhead Lines	593-U	7,357	191,281	195,107	16,259	16,259	16,259	16,259	16,259	16,259	16,259	16,259	16,259
208	Total Maintenance of Underground Lines	594-NU	721	18,758	19,227	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602	1,602
211	Total Maintenance of Underground Lines	594-U	21,552	560,365	571,572	47,631	47,631	47,631	47,631	47,631	47,631	47,631	47,631	47,631
214	Total Maintenance of Street Lighting & Signal Systems	596-NU	1,154	29,993	30,743	2,562	2,562	2,562	2,562	2,562	2,562	2,562	2,562	2,562
217	Total Maintenance of Street Lighting & Signal Systems	596-U	25,534	663,872	677,149	56,429	56,429	56,429	56,429	56,429	56,429	56,429	56,429	56,429
220	Total Maintenance of Meters	597-NU	2,837	73,757	75,601	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300
225	Total Maintenance of Meters	597-U	6,821	177,337	180,884	15,074	15,074	15,074	15,074	15,074	15,074	15,074	15,074	15,074
229	Total Supervision	901-NU	4,620	120,126	123,129	10,261	10,261	10,261	10,261	10,261	10,261	10,261	10,261	10,261
235	Total Meter Reading Expenses	902-NU	119,560	3,108,557	3,186,271	265,523	265,523	265,523	265,523	265,523	265,523	265,523	265,523	265,523
240	Total Customer Records and Collection Exp	903-NU	152,051	3,953,337	4,052,171	337,681	337,681	337,681	337,681	337,681	337,681	337,681	337,681	337,681
243	Total Customer Records and Collection Exp	903-U	1,004	26,098	26,620	2,218	2,218	2,218	2,218	2,218	2,218	2,218	2,218	2,218
247	Total Customer Service & Informational Exp	906-NU	11,007	286,187	293,342	24,445	24,445	24,445	24,445	24,445	24,445	24,445	24,445	24,445
250	Total Customer Assistance Expenses	908-NU	16,832	437,632	448,573	37,381	37,381	37,381	37,381	37,381	37,381	37,381	37,381	37,381
254	Total Demonstrating and Selling Expenses - Non Production	912-NU	110,088	2,862,287	2,933,844	244,487	244,487	244,487	244,487	244,487	244,487	244,487	244,487	244,487
259	Total Administrative & General Salaries - Production	920-NU	96,069	2,497,790	2,560,235	213,353	213,353	213,353	213,353	213,353	213,353	213,353	213,353	213,353
266	Total Administrative & General Salaries - Transmission	920-NU	3,295	85,679	87,821	7,318	7,318	7,318	7,318	7,318	7,318	7,318	7,318	7,318
272	Total Administrative & General Salaries - Distribution	920-NU	10,481	272,498	279,311	23,276	23,276	23,276	23,276	23,276	23,276	23,276	23,276	23,276
275	Total Injuries and Damages - Distribution	925-U	380	9,880	10,078	840	840	840	840	840	840	840	840	840
278	Total Regulatory Commission Expenses - Production	928-NU	16,812	437,109	448,037	37,336	37,336	37,336	37,336	37,336	37,336	37,336	37,336	37,336
282	Total Maintenance of General Plant - Transmission	935-NU	2,366	61,528	63,066	5,256	5,256	5,256	5,256	5,256	5,256	5,256	5,256	5,256
286	Total Maintenance of General Plant - Distribution	935-NU	674	17,517	17,955	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496
293	Total Maintenance of General Plant - Transmission	935-U	8,847	230,014	234,614	19,551	19,551	19,551	19,551	19,551	19,551	19,551	19,551	19,551
296	Total Maintenance of General Plant - Distribution	935-U	272	7,061	7,202	600	600	600	600	600	600	600	600	600
297	Total		1,454,275	37,811,163	38,535,024	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252
298														
299	Total Labor		1,454,275	37,811,163	38,535,024	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252
300														
301			Employee Headcount	Headcount at 3/27/2015	Headcount Additions	Headcount at 9/30/2016								
302			O&M	549	2	551								
303			Non O&M	243		243								
304			Total PNM Employees	793	2	795								
305														
306			Note 1: Due to the addition of the new gas plant La Luz, PNM forecasted the need											
307			for two additional people to their test period labor headcount. Please refer to											
308			the testimony of PNM Witness Olson and PNM Exhibit CMO-7 for further											
309			explanation.											
310			Note 2: In order to properly reflect the merit increases in labor, PNM escalates labor every April at the following escalation rates:											
311			2.0% for union employees and 2.5% for non-union employees.											
312			Note 3: The electronic version of this worksheet uses the Microsoft Excel											
313			outline function. This function groups the elements of cost, and or columns for print formatting purposes.											

	A	B	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA
1	PNM Exhibit HEM-4														
2	WP LA-4: PNM Normalized Labor														
3	Base period data is historical information from the Company's Books and Records.														
4	Hyperlink to Lead Sheet														
5						Note 2:							Note 1:		WP LA-1, Column H
6	Description	FERC	Jan-16	Feb-16	Mar-16	Escalation 2% - Union 2.5 % - Non Union	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Additional Headcount at La Luz	Linkage Data	Total Test Period
11	Total Operation Supervision and Engineering	500-NU	35,309	35,309	35,309	434,297	36,191	36,191	36,191	36,191	36,191	36,191		211,852	429,001
14	Total Steam Expenses	502-U	5,934	5,934	5,934	72,627	6,052	6,052	6,052	6,052	6,052	6,052		35,601	71,915
20	Total Electric Expenses	505-U	63,592	63,592	63,592	778,363	64,864	64,864	64,864	64,864	64,864	64,864		381,551	770,732
23	Total Misc. Steam Power Expenses	506-NU	4,083	4,083	4,083	50,219	4,185	4,185	4,185	4,185	4,185	4,185		24,497	49,606
26	Total Misc. Steam Power Expenses	506-U	6,720	6,720	6,720	82,255	6,855	6,855	6,855	6,855	6,855	6,855		40,321	81,448
29	Total Maintenance Supervision and Engin	510-NU	8,547	8,547	8,547	105,129	8,761	8,761	8,761	8,761	8,761	8,761		51,282	103,847
32	Total Maintenance of Structures	511-NU	2,994	2,994	2,994	36,823	3,069	3,069	3,069	3,069	3,069	3,069		17,962	36,374
37	Total Maintenance of Structures	511-U	22,893	22,893	22,893	280,216	23,351	23,351	23,351	23,351	23,351	23,351		137,361	277,469
41	Total Maintenance of Boiler Plants	512_NU	3,132	3,132	3,132	38,527	3,211	3,211	3,211	3,211	3,211	3,211		18,793	38,057
46	Total Maintenance of Boiler Plants	512-U	7,351	7,351	7,351	89,982	7,499	7,499	7,499	7,499	7,499	7,499		44,109	89,100
49	Total Maintenance of Electric Plant	513-NU	2,560	2,560	2,560	31,491	2,624	2,624	2,624	2,624	2,624	2,624		15,362	31,107
52	Total Maintenance of Electric Plant	513-U	1,101	1,101	1,101	13,474	1,123	1,123	1,123	1,123	1,123	1,123		6,605	13,342
55	Total Maintenance of Misc Electric Plant	514-NU	158	158	158	1,940	162	162	162	162	162	162		946	1,916
59	Total Operation Supervision and Enginering	546-NU	35,362	35,362	35,362	434,949	36,246	36,246	36,246	36,246	36,246	36,246		212,170	429,645
62	Total Misc. Other Power Expenses	549-NU Renew	-	-	-	-	-	-	-	-	-	-		-	-
65	Total Maintenance of Structures	552-NU	9,145	9,145	9,145	112,489	9,374	9,374	9,374	9,374	9,374	9,374	91,374	54,873	202,491
68	Total Maintenance of Structures	552-U	1,727	1,727	1,727	21,135	1,761	1,761	1,761	1,761	1,761	1,761	90,660	10,360	111,588
71	Total Maintenance of Gen and Electric Plant	553-NU	1,612	1,612	1,612	19,828	1,652	1,652	1,652	1,652	1,652	1,652		9,672	19,586
77	Total Maintenance of Gen and Electric Plant	553-U	120,415	120,415	120,415	1,473,879	122,823	122,823	122,823	122,823	122,823	122,823		722,490	1,459,429
82	Total System Control and Load Dispatching	556-NU	197,888	197,888	197,888	2,434,018	202,835	202,835	202,835	202,835	202,835	202,835		1,187,326	2,404,335
87	Total Operation Supervision and Engineering	560-NU	117,651	117,651	117,651	1,447,111	120,593	120,593	120,593	120,593	120,593	120,593		705,908	1,429,463
90	Total Load Dispatching	561-NU	87,680	87,680	87,680	1,078,459	89,872	89,872	89,872	89,872	89,872	89,872		526,078	1,065,308
93	Total Station Expenses	562-NU	7,180	7,180	7,180	88,320	7,360	7,360	7,360	7,360	7,360	7,360		43,083	87,243
96	Total Station Expenses	562-U	14,013	14,013	14,013	171,517	14,293	14,293	14,293	14,293	14,293	14,293		84,077	169,836
99	Total Overhead Lines Expenses	563-U	13,776	13,776	13,776	168,621	14,052	14,052	14,052	14,052	14,052	14,052		82,658	166,968
104	Total Misc. Transmission Expenses	566-NU	38,761	38,761	38,761	476,755	39,730	39,730	39,730	39,730	39,730	39,730		232,563	470,941
108	Total Misc. Transmission Expenses	566-U	11,158	11,158	11,158	136,569	11,381	11,381	11,381	11,381	11,381	11,381		66,945	135,230
111	Total Maintenance Supervision and Engin	568-NU	550	550	550	6,764	564	564	564	564	564	564		3,300	6,682
115	Total Maintenance of Station Equipment	570-NU	26,364	26,364	26,364	324,278	27,023	27,023	27,023	27,023	27,023	27,023		158,184	320,323
121	Total Maintenance of Station Equipment	570-U	84,263	84,263	84,263	1,031,374	85,948	85,948	85,948	85,948	85,948	85,948		505,575	1,021,262
124	Total Maintenance of Overhead Lines	571-NU	747	747	747	9,193	766	766	766	766	766	766		4,484	9,081
127	Total Maintenance of Overhead Lines	571-U	4,534	4,534	4,534	55,497	4,625	4,625	4,625	4,625	4,625	4,625		27,204	54,953
130	Total Maintenance Transmission Plant	574-U	168	168	168	2,056	171	171	171	171	171	171		1,008	2,036
135	Total Operation Supervision and Engineering	580-NU	137,975	137,975	137,975	1,697,087	141,424	141,424	141,424	141,424	141,424	141,424		827,847	1,676,391
140	Total Operation Supervision and Engineering	580-U	2,004	2,004	2,004	24,531	2,044	2,044	2,044	2,044	2,044	2,044		12,025	24,290
143	Total Station Expenses	582-NU	759	759	759	9,342	778	778	778	778	778	778		4,557	9,228
146	Total Overhead Lines Expenses	583-NU	2,372	2,372	2,372	29,174	2,431	2,431	2,431	2,431	2,431	2,431		14,231	28,818
150	Total Overhead Lines Expenses	583-U	88,903	88,903	88,903	1,088,167	90,681	90,681	90,681	90,681	90,681	90,681		533,415	1,077,499

	A	B	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA
1	PNM Exhibit HEM-4														
2	WP LA-4: PNM Normalized Labor														
3	Base period data is historical information from the Company's Books and Records.														
4	Hyperlink to Lead Sheet														
5						Note 2:							Note 1:		WP LA-1, Column H
6	Description	FERC	Jan-16	Feb-16	Mar-16	Escalation 2% - Union 2.5 % - Non Union	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Additional Headcount at La Luz	Linkage Data	Total Test Period
153	Total Underground Lines Expenses	584-NU-Renew	-	-	-	-	-	-	-	-	-	-		-	-
156	Total Underground Lines Expenses	584-U	24,306	24,306	24,306	297,504	24,792	24,792	24,792	24,792	24,792	24,792		145,835	294,587
159	Total Street Lighting & Signal System Exp	585-NU	6,496	6,496	6,496	79,907	6,659	6,659	6,659	6,659	6,659	6,659		38,979	78,932
164	Total Meter Expenses	586-NU	10,498	10,498	10,498	129,130	10,761	10,761	10,761	10,761	10,761	10,761		62,990	127,555
171	Total Meter Expenses	586-U	219,881	219,881	219,881	2,691,346	224,279	224,279	224,279	224,279	224,279	224,279		1,319,287	2,664,960
176	Total Misc. Expenses	588-NU	147,025	147,025	147,025	1,808,408	150,701	150,701	150,701	150,701	150,701	150,701		882,150	1,786,354
183	Total Misc. Expenses	588-U	173,278	173,278	173,278	2,120,925	176,744	176,744	176,744	176,744	176,744	176,744		1,039,669	2,100,132
186	Total Maintenance Supervision and Engin	590-NU	10,355	10,355	10,355	127,366	10,614	10,614	10,614	10,614	10,614	10,614		62,130	125,813
191	Total Maintenance of Station Equipment	592-NU	7,118	7,118	7,118	87,555	7,296	7,296	7,296	7,296	7,296	7,296		42,710	86,487
197	Total Maintenance of Station Equipment	592-U	48,358	48,358	48,358	591,902	49,325	49,325	49,325	49,325	49,325	49,325		290,148	586,099
201	Total Maintenance of Overhead Lines	593-NU	17,677	17,677	17,677	217,427	18,119	18,119	18,119	18,119	18,119	18,119		106,062	214,776
205	Total Maintenance of Overhead Lines	593-U	16,259	16,259	16,259	199,009	16,584	16,584	16,584	16,584	16,584	16,584		97,553	197,058
208	Total Maintenance of Underground Lines	594-NU	1,602	1,602	1,602	19,708	1,642	1,642	1,642	1,642	1,642	1,642		9,613	19,467
211	Total Maintenance of Underground Lines	594-U	47,631	47,631	47,631	583,003	48,584	48,584	48,584	48,584	48,584	48,584		285,786	577,288
214	Total Maintenance of Street Lighting & Signal Systems	596-NU	2,562	2,562	2,562	31,511	2,626	2,626	2,626	2,626	2,626	2,626		15,371	31,127
217	Total Maintenance of Street Lighting & Signal Systems	596-U	56,429	56,429	56,429	690,692	57,558	57,558	57,558	57,558	57,558	57,558		338,574	683,920
220	Total Maintenance of Meters	597-NU	6,300	6,300	6,300	77,491	6,458	6,458	6,458	6,458	6,458	6,458		37,800	76,546
225	Total Maintenance of Meters	597-U	15,074	15,074	15,074	184,502	15,375	15,375	15,375	15,375	15,375	15,375		90,442	182,693
229	Total Supervision	901-NU	10,261	10,261	10,261	126,207	10,517	10,517	10,517	10,517	10,517	10,517		61,564	124,668
235	Total Meter Reading Expenses	902-NU	265,523	265,523	265,523	3,265,928	272,161	272,161	272,161	272,161	272,161	272,161		1,593,135	3,226,099
240	Total Customer Records and Collection Exp	903-NU	337,681	337,681	337,681	4,153,475	346,123	346,123	346,123	346,123	346,123	346,123		2,026,085	4,102,823
243	Total Customer Records and Collection Exp	903-U	2,218	2,218	2,218	27,152	2,263	2,263	2,263	2,263	2,263	2,263		13,310	26,886
247	Total Customer Service & Informational Exp	906-NU	24,445	24,445	24,445	300,676	25,056	25,056	25,056	25,056	25,056	25,056		146,671	297,009
250	Total Customer Assistance Expenses	908-NU	37,381	37,381	37,381	459,787	38,316	38,316	38,316	38,316	38,316	38,316		224,287	454,180
254	Total Demonstrating and Selling Expenses - Non Production	912-NU	244,487	244,487	244,487	3,007,191	250,599	250,599	250,599	250,599	250,599	250,599		1,466,922	2,970,517
259	Total Administrative & General Salaries - Production	920-NU	213,353	213,353	213,353	2,624,241	218,687	218,687	218,687	218,687	218,687	218,687		1,280,117	2,592,238
266	Total Administrative & General Salaries - Transmission	920-NU	7,318	7,318	7,318	90,016	7,501	7,501	7,501	7,501	7,501	7,501		43,910	88,919
272	Total Administrative & General Salaries - Distribution	920-NU	23,276	23,276	23,276	286,293	23,858	23,858	23,858	23,858	23,858	23,858		139,655	282,802
275	Total Injuries and Damages - Distribution	925-U	840	840	840	10,279	857	857	857	857	857	857		5,039	10,178
278	Total Regulatory Commission Expenses - Production	928-NU	37,336	37,336	37,336	459,238	38,270	38,270	38,270	38,270	38,270	38,270		224,018	453,637
282	Total Maintenance of General Plant - Transmission	935-NU	5,256	5,256	5,256	64,643	5,387	5,387	5,387	5,387	5,387	5,387		31,533	63,854
286	Total Maintenance of General Plant - Distribution	935-NU	1,496	1,496	1,496	18,404	1,534	1,534	1,534	1,534	1,534	1,534		8,978	18,180
293	Total Maintenance of General Plant - Transmission	935-U	19,551	19,551	19,551	239,307	19,942	19,942	19,942	19,942	19,942	19,942		117,307	236,960
296	Total Maintenance of General Plant - Distribution	935-U	600	600	600	7,346	612	612	612	612	612	612		3,601	7,274
297	Total		3,211,252	3,211,252	3,211,252	39,434,021	3,286,168	3,286,168	3,286,168	3,286,168	3,286,168	3,286,168	182,034	19,267,512	39,166,557
298															
299	Total Labor		3,211,252	3,211,252	3,211,252	39,434,021	3,286,168	3,286,168	3,286,168	3,286,168	3,286,168	3,286,168	182,034	19,267,512	39,166,557
300															
301															
302															
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312															
313															

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit HEM-4																	
2	WP LA-5 PNMR Services Normalized Labor																	
3	Base period data is historical information from the Company's Books and Records.																	
4	Hyperlink to Lead Sheet																	
5				WP LA-2, Column F	Note 2:													Note 2:
6	Description	March 27, 2015 Pay Period	Remove Legal Non-Allowable	Normalized Labor (Column B + Column C) * 26 (pay periods in a year)	Escalation 2.5 % - Non Union	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Escalation 2.5 % - Non Union
10	911 Total	170,034	-	4,420,885	4,531,407	377,617	377,617	377,617	377,617	377,617	377,617	377,617	377,617	377,617	377,617	377,617	377,617	4,644,692
14	912 Total	13,850	-	347,100	355,787	29,649	29,649	29,649	29,649	29,649	29,649	29,649	29,649	29,649	29,649	29,649	29,649	364,682
17	914 Total	12,080	-	314,343	322,201	26,850	26,850	26,850	26,850	26,850	26,850	26,850	26,850	26,850	26,850	26,850	26,850	330,256
20	924 Total	50,711	-	1,318,484	1,351,447	112,621	112,621	112,621	112,621	112,621	112,621	112,621	112,621	112,621	112,621	112,621	112,621	1,385,233
24	941 Total	374,193	-	9,728,010	9,971,235	831,020	831,020	831,020	831,020	831,020	831,020	831,020	831,020	831,020	831,020	831,020	831,020	10,221,541
28	942 Total	87,148	-	1,485,715	1,522,858	126,905	126,905	126,905	126,905	126,905	126,905	126,905	126,905	126,905	126,905	126,905	126,905	1,560,930
32	946 Total	50,620	(614)	1,300,160	1,332,664	111,055	111,055	111,055	111,055	111,055	111,055	111,055	111,055	111,055	111,055	111,055	111,055	1,365,940
36	947 Total	11,035	(1,150)	257,007	263,432	21,953	21,953	21,953	21,953	21,953	21,953	21,953	21,953	21,953	21,953	21,953	21,953	270,018
40	948 Total	31,454	-	822,541	843,107	70,259	70,259	70,259	70,259	70,259	70,259	70,259	70,259	70,259	70,259	70,259	70,259	864,185
44	951 Total	83,990	-	2,183,747	2,238,341	186,528	186,528	186,528	186,528	186,528	186,528	186,528	186,528	186,528	186,528	186,528	186,528	2,294,299
47	953 Total	49,919	-	1,297,901	1,330,349	110,862	110,862	110,862	110,862	110,862	110,862	110,862	110,862	110,862	110,862	110,862	110,862	1,363,607
50	963 Total	15,872	-	412,661	422,978	35,248	35,248	35,248	35,248	35,248	35,248	35,248	35,248	35,248	35,248	35,248	35,248	433,552
54	968 Total	181,078	-	4,707,948	4,825,647	402,137	402,137	402,137	402,137	402,137	402,137	402,137	402,137	402,137	402,137	402,137	402,137	4,946,288
58	977 Total	23,354	-	659,210	675,690	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	692,582
60	980 Total	487	-	12,668	12,985	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	1,082	13,310
64	993 Total	134,287	-	3,491,459	3,578,746	298,229	298,229	298,229	298,229	298,229	298,229	298,229	298,229	298,229	298,229	298,229	298,229	3,668,214
66	999 Total	6,995	-	181,874	186,420	15,535	15,535	15,535	15,535	15,535	15,535	15,535	15,535	15,535	15,535	15,535	15,535	191,081
67																		
68	Total	1,268,792	(1,764)	32,942,725	33,766,293	2,813,858	2,813,858	2,813,858	2,813,858	2,813,858	2,813,858	2,813,858	2,813,858	2,813,858	2,813,858	2,813,858	2,813,858	34,610,450
69																		
70																		
71	Payroll Taxes																	
72	FICA, FUTA, SUTA																	
73	Location	March 27, 2015 Pay Period	Remove Legal Non-Allowable	Normalized Salary	Escalation 2.5 % - Non Union	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Escalation 2.5 % - Non Union
74	911	14,946	-	388,596	398,311	33,193	33,193	33,193	33,193	33,193	33,193	33,193	33,193	33,193	33,193	33,193	33,193	408,268
75	912	1,173	-	30,511	31,274	2,606	2,606	2,606	2,606	2,606	2,606	2,606	2,606	2,606	2,606	2,606	2,606	32,056
76	914	1,063	-	27,631	28,322	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360	29,030
77	924	4,457	-	115,895	118,792	9,899	9,899	9,899	9,899	9,899	9,899	9,899	9,899	9,899	9,899	9,899	9,899	121,762
78	941	32,892	-	855,180	876,559	73,047	73,047	73,047	73,047	73,047	73,047	73,047	73,047	73,047	73,047	73,047	73,047	898,473
79	942	5,023	-	130,594	133,859	11,155	11,155	11,155	11,155	11,155	11,155	11,155	11,155	11,155	11,155	11,155	11,155	137,206
80	946	4,450	(54)	114,284	117,141	9,762	9,762	9,762	9,762	9,762	9,762	9,762	9,762	9,762	9,762	9,762	9,762	120,070
81	947	970	(101)	22,591	23,156	1,930	1,930	1,930	1,930	1,930	1,930	1,930	1,930	1,930	1,930	1,930	1,930	23,735
82	948	2,781	-	72,302	74,109	6,176	6,176	6,176	6,176	6,176	6,176	6,176	6,176	6,176	6,176	6,176	6,176	75,962
83	951	7,383	-	191,951	196,750	16,396	16,396	16,396	16,396	16,396	16,396	16,396	16,396	16,396	16,396	16,396	16,396	201,669
84	953	4,388	-	114,085	116,938	9,745	9,745	9,745	9,745	9,745	9,745	9,745	9,745	9,745	9,745	9,745	9,745	119,861
85	963	1,395	-	36,273	37,180	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	38,109
86	968	15,916	-	413,829	424,174	35,348	35,348	35,348	35,348	35,348	35,348	35,348	35,348	35,348	35,348	35,348	35,348	434,778
87	977	2,229	-	57,945	59,393	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949	4,949	60,878
88	980	43	-	1,114	1,141	95	95	95	95	95	95	95	95	95	95	95	95	1,170
89	993	11,804	-	306,899	314,572	26,214	26,214	26,214	26,214	26,214	26,214	26,214	26,214	26,214	26,214	26,214	26,214	322,436
90	999	615	-	15,987	16,386	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	16,796
91		111,537	(155)	2,895,666	2,968,057	247,338	247,338	247,338	247,338	247,338	247,338	247,338	247,338	247,338	247,338	247,338	247,338	3,042,259
92																		
93	Payroll Tax Rate	FICA/FUTA/SUTA																
94	2015	[redacted] 8.75%	Note 1															
95	2016	[redacted] 8.75%	Note 1															

	S	T	U	V	W	X	Y	Z
1								
2								
3								
4								
5								WP LA-7, Column H
6	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Linkage Data	Total Test Period
10	387,058	387,058	387,058	387,058	387,058	387,058	2,265,703	4,588,049
14	30,390	30,390	30,390	30,390	30,390	30,390	177,894	360,234
20	27,521	27,521	27,521	27,521	27,521	27,521	161,101	326,225
24	115,436	115,436	115,436	115,436	115,436	115,436	675,723	1,368,340
28	851,795	851,795	851,795	851,795	851,795	851,795	4,986,118	10,096,888
32	130,077	130,077	130,077	130,077	130,077	130,077	761,429	1,541,894
36	113,832	113,832	113,832	113,832	113,832	113,832	666,332	1,349,322
40	22,501	22,501	22,501	22,501	22,501	22,501	131,716	266,725
44	72,015	72,015	72,015	72,015	72,015	72,015	421,553	853,646
47	191,192	191,192	191,192	191,192	191,192	191,192	1,119,170	2,266,320
50	113,634	113,634	113,634	113,634	113,634	113,634	665,174	1,346,978
54	36,129	36,129	36,129	36,129	36,129	36,129	211,489	428,265
58	412,191	412,191	412,191	412,191	412,191	412,191	2,412,823	4,885,567
60	57,715	57,715	57,715	57,715	57,715	57,715	337,845	684,136
64	1,109	1,109	1,109	1,109	1,109	1,109	6,492	13,147
66	305,685	305,685	305,685	305,685	305,685	305,685	1,789,573	3,623,480
67	15,923	15,923	15,923	15,923	15,923	15,923	93,210	188,751
68	2,884,204	2,884,204	2,884,204	2,884,204	2,884,204	2,884,204	16,883,147	34,188,372
69								
70								
71								
72								
73	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Linkage Data	Total Test Period
74	34,022	34,022	34,022	34,022	34,022	34,022	199,155	403,290
75	2,671	2,671	2,671	2,671	2,671	2,671	15,637	31,665
76	2,419	2,419	2,419	2,419	2,419	2,419	14,161	28,676
77	10,147	10,147	10,147	10,147	10,147	10,147	59,396	120,277
78	74,873	74,873	74,873	74,873	74,873	74,873	438,280	887,516
79	11,434	11,434	11,434	11,434	11,434	11,434	66,930	135,512
80	10,006	10,006	10,006	10,006	10,006	10,006	58,571	118,605
81	1,978	1,978	1,978	1,978	1,978	1,978	11,578	23,445
82	6,330	6,330	6,330	6,330	6,330	6,330	37,055	75,035
83	16,806	16,806	16,806	16,806	16,806	16,806	98,375	199,210
84	9,988	9,988	9,988	9,988	9,988	9,988	58,469	118,399
85	3,176	3,176	3,176	3,176	3,176	3,176	18,590	37,644
86	36,232	36,232	36,232	36,232	36,232	36,232	212,087	429,477
87	5,073	5,073	5,073	5,073	5,073	5,073	29,697	60,136
88	97	97	97	97	97	97	571	1,156
89	26,870	26,870	26,870	26,870	26,870	26,870	157,286	318,504
90	1,400	1,400	1,400	1,400	1,400	1,400	8,193	16,591
91	253,522	253,522	253,522	253,522	253,522	253,522	1,484,029	3,005,158
92								
93								
94								
95								

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
1	PNM Exhibit HEM-4																									
2	WP LA-5 PNMR Services Normalized Labor																									
3	Base period data is historical information from the Company's Books and Records.																									
4	Hyperlink to Lead Sheet																									
5				WP LA-2, Column F	Note 2:													Note 2:								WP LA-2, Column H
6	Description	March 27, 2015 Pay Period	Remove Legal Non-Allowable	Normalized Labor (Column B + Column C) * 26 (pay periods in a year)	Escalation 2.5 % - Non Union	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Escalation 2.5 % - Non Union	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Linkage Data	Total Test Period
96																										
97		WP SS-12, Column B	WP SS-9, Column B																							
98	Location	Total Linkage Taxes	Total Test Taxes																							
99	911	199,155	403,290																							
100	912	15,697	31,665																							
101	914	14,161	28,676																							
102	924	59,398	120,277																							
103	941	438,280	887,516																							
104	942	66,930	135,532																							
105	946	58,671	118,605																							
106	947	11,578	23,445																							
107	948	37,055	75,035																							
108	951	98,379	199,210																							
109	953	58,469	118,399																							
110	963	18,590	37,644																							
111	968	212,087	429,477																							
112	977	29,697	60,136																							
113	980	571	1,156																							
114	993	157,286	318,504																							
115	999	8,193	16,591																							
116		1,484,029	3,005,158																							
117																										
118																										
119		Employee Headcount		Headcount at 3/27/2015	Headcount at 9/30/2016																					
120		O&M		331	331																					
121		Non O&M		45	45																					
122		Total PNMR Services Employees		376	376																					
123																										
124		Note 1: The payroll tax rates reflect FICA, FUTA, and SUTA payroll taxes and are based on effective tax rates utilized in PNM capital loads.																								
125		Please refer to the testimony of PNM Witness Peters for discussion on capital loads.																								
126		Note 2: In order to properly reflect the merit increases in labor, PNM escalates labor every April at the following escalation rates:																								
127		2.0% for union employees and 2.5% for non-union employees.																								

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
1	PNM Exhibit HEM-4																			
2	WP LA-6 San Juan Generating Station Normalized Labor																			
3	Base period data is historical information from the Company's Books and Records.																			
4																				
5	Hyperlink to Lead Sheet			Note 1:	Note 2:		WP LA-3, Column E	Note 4:												
6	Description	FERC	March 27, 2015 Pay Period	Labor per Employee	Attrition Adjustment	Adjusted Base Period	Normalize Base Period (Column F * 26)	Escalation 2% - Union 2.5 % - Non Union	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
13	Total Operation Supervision and Engineering	500 - NU	62,910	188	(1,507)	61,592	1,601,384	1,641,419	136,785	136,785	136,785	136,785	136,785	136,785	136,785	136,785	136,785	136,785	136,785	136,785
22	Total Steam Expenses	502 - U	57,857	173	(1,386)	56,645	1,472,767	1,502,222	125,185	125,185	125,185	125,185	125,185	125,185	125,185	125,185	125,185	125,185	125,185	125,185
29	Total Electric Expenses	505 - U	50,755	152	(1,216)	49,692	1,291,980	1,317,820	109,818	109,818	109,818	109,818	109,818	109,818	109,818	109,818	109,818	109,818	109,818	109,818
35	Total Misc. Steam Power Expenses	506 - NU	17,467	52	(418)	17,101	444,614	455,729	37,977	37,977	37,977	37,977	37,977	37,977	37,977	37,977	37,977	37,977	37,977	37,977
39	Total Misc. Steam Power Expenses	506 - U	36	0	(1)	35	917	936	78	78	78	78	78	78	78	78	78	78	78	78
45	Total Maintenance Supervision and Engin	510 - NU	57,607	172	(1,380)	56,399	1,466,385	1,503,044	125,254	125,254	125,254	125,254	125,254	125,254	125,254	125,254	125,254	125,254	125,254	125,254
51	Total Maintenance Supervision and Engin	510 - U	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Total Maintenance of Structures	511 - U	20,349	61	(487)	19,923	517,996	528,356	44,030	44,030	44,030	44,030	44,030	44,030	44,030	44,030	44,030	44,030	44,030	44,030
61	Total Maintenance of Boiler Plants	512 - NU	16,166	48	(387)	15,827	411,499	421,787	35,149	35,149	35,149	35,149	35,149	35,149	35,149	35,149	35,149	35,149	35,149	35,149
69	Total Maintenance of Boiler Plants	512 - U	115,825	347	(2,774)	113,398	2,948,335	3,007,302	250,609	250,609	250,609	250,609	250,609	250,609	250,609	250,609	250,609	250,609	250,609	250,609
73	Total Maintenance of Electric Plant	513 - NU	1,785	5	(43)	1,748	45,446	46,582	3,882	3,882	3,882	3,882	3,882	3,882	3,882	3,882	3,882	3,882	3,882	3,882
78	Total Maintenance of Electric Plant	513 - U	28,855	86	(691)	28,250	734,500	749,190	62,432	62,432	62,432	62,432	62,432	62,432	62,432	62,432	62,432	62,432	62,432	62,432
82	Total Maintenance of Misc Electric Plant	514 - U	18,609	56	(446)	18,219	473,703	483,177	40,265	40,265	40,265	40,265	40,265	40,265	40,265	40,265	40,265	40,265	40,265	40,265
86	Total Administrative & General Salaries - Production	920 - NU	2,005	6	(48)	1,963	51,097	52,313	4,359	4,359	4,359	4,359	4,359	4,359	4,359	4,359	4,359	4,359	4,359	4,359
87																				
88	Total		450,227	1,348	(10,784)	440,791	11,460,564	11,709,877	975,823	975,823	975,823	975,823	975,823	975,823	975,823	975,823	975,823	975,823	975,823	975,823
89																				
90		Payroll Taxes																		
91		FICA/FUTA/SUTA	30,345	91	(727)	29,709	772,442	789,246	65,770	65,770	65,770	65,770	65,770	65,770	65,770	65,770	65,770	65,770	65,770	65,770
92																				
93																				
94			Payroll Tax Rate	FICA/FUTA/SUTA																
95			2015	6.74%	Note 3															
96			2016	6.74%	Note 3															
97																				
98			Employee Headcount Note 5	Headcount at 3/27/2015	Attrition Adjustment	Headcount at 9/30/2016														
99			O&M	300	8	292														
100			Non O&M	34	0	34														
101			Total San Juan Employees	334	8	326														
102																				
103			Note 1: Labor per Employee was calculated by multiplying the total payperiod cost, by cost element, and dividing that by the total number of employees at 3/27/2015.																	
104			Note 2: Attrition adjustment was calculated by multiplying the labor per employee cost by the number of employees that are expected to be affected by the attrition.																	
105			Note 3: The payroll tax rates reflect FICA, FUTA, and SUTA payroll taxes and are based on effective tax rates utilized in PNM capital loads.																	
106			Please refer to the testimony of PNM Witness Peters for discussion on capital loads.																	
107			Note 4: In order to properly reflect the merit increases in labor, PNM escalates labor every April at the following escalation rates:																	
108			2.0% for union employees and 2.5% for non-union employees.																	
109			Note 5: A portion of San Juan's headcount is included in FERC 501 (fuel). Fuel labor was not calculated in this calculation but was handled separately in the																	
110			fuel workpaper. Please see PNM Exhibit SAT-2.																	
111			Note 6: The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the elements of cost, and or columns for																	
112			print formatting purposes.																	

	A	B	U	V	W	X	Y	Z	AA	AB	AC
1	PNM Exhibit HEM-4										
2	WP LA-6 San Juan Generating Station Normalized Labor										
3	Base period data is historical information from the Company's Books and Recc										
4											
5	Hyperlink to Lead Sheet		Note 4:								WP LA-3, Column G
6	Description	FERC	Escalation 2% - Union 2.5 % - Non Union	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Total Linkage Period	Total Test Period
13	Total Operation Supervision and Engineering	500 - NU	1,682,454	140,205	140,205	140,205	140,205	140,205	140,205	820,709	1,661,936
22	Total Steam Expenses	502 - U	1,532,266	127,689	127,689	127,689	127,689	127,689	127,689	751,111	1,517,244
29	Total Electric Expenses	505 - U	1,344,176	112,015	112,015	112,015	112,015	112,015	112,015	658,910	1,330,998
35	Total Misc. Steam Power Expenses	506 - NU	467,123	38,927	38,927	38,927	38,927	38,927	38,927	227,865	461,426
39	Total Misc. Steam Power Expenses	506 - U	954	80	80	80	80	80	80	468	945
45	Total Maintenance Supervision and Engin	510 - NU	1,540,621	128,385	128,385	128,385	128,385	128,385	128,385	751,522	1,521,832
51	Total Maintenance Supervision and Engin	510 - U	-	-	-	-	-	-	-	-	-
56	Total Maintenance of Structures	511 - U	538,923	44,910	44,910	44,910	44,910	44,910	44,910	264,178	533,639
61	Total Maintenance of Boiler Plants	512 - NU	432,331	36,028	36,028	36,028	36,028	36,028	36,028	210,893	427,059
69	Total Maintenance of Boiler Plants	512 - U	3,067,448	255,621	255,621	255,621	255,621	255,621	255,621	1,503,651	3,037,375
73	Total Maintenance of Electric Plant	513 - NU	47,747	3,979	3,979	3,979	3,979	3,979	3,979	23,291	47,165
78	Total Maintenance of Electric Plant	513 - U	764,174	63,681	63,681	63,681	63,681	63,681	63,681	374,595	756,682
82	Total Maintenance of Misc Electric Plant	514 - U	492,841	41,070	41,070	41,070	41,070	41,070	41,070	241,589	488,009
86	Total Administrative & General Salaries - Production	920 - NU	53,621	4,468	4,468	4,468	4,468	4,468	4,468	26,157	52,967
87											
88	Total		11,964,679	997,057	997,057	997,057	997,057	997,057	997,057	5,854,939	11,837,278
89											
90		Payroll Taxes								WP GT-4, Column C	WP GT-4, Column G
91		FICA/FUTA/SUTA	806,419	67,202	67,202	67,202	67,202	67,202	67,202	394,628	797,833
92											
93											
94											
95											
96											
97									Payroll taxes - base period adjustment		
98									Base Period	WP GT-4, Column D Normalization Adjustment	Adjusted Base Period
99									1,147,549	(375,107)	772,442
100											
101											
102											
103											
104											
105											
106											
107											
108											
109											
110											
111											
112											

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit HEM-4									
2	WP LA-7 PNM Overtime									
3	Base period data is historical Information from the Company's Books and Records.									
4										
5	Hyperlink to Lead Sheet									
6				WP OM-4, Column J		Note 1:	WP OM-4, Column AD			
7	FERC	Base Period	Remove Renewable Overtime	Adjusted Base Period	Linkage Data	Additional Overtime at La Luz	Test Period Escalation 2% - Union 2.5 % - Non Union	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
8	502 - U	40,222		40,222	20,111		41,435	1,213	3.01%	Escalation Adjustment
9	505 - U	288,391		288,391	144,196		297,086	8,695	3.01%	Escalation Adjustment
10	511 - NU	2,502		2,502	1,251		2,596	94	3.77%	Escalation Adjustment
11	511 - U	32,759		32,759	16,380		33,747	988	3.01%	Escalation Adjustment
12	512 - NU	662		662	331		687	25	3.77%	Escalation Adjustment
13	512 - U	3,744		3,744	1,872		3,857	113	3.01%	Escalation Adjustment
14	513 - NU	4,231		4,231	2,116		4,391	160	3.77%	Escalation Adjustment
15	513 - U	256		256	128		264	8	3.01%	Escalation Adjustment
16	546 - NU	9,391		9,391	4,695		9,745	354	3.77%	Escalation Adjustment
17	552 - U	36		36	18	20,400	21,052	21,016	58054.53%	Escalation Adjustment; Headcount Increase for La Luz
18	553 - NU	1,104		1,104	552		1,145	42	3.77%	Escalation Adjustment
19	553 - U	364,461		364,461	182,230		375,449	10,988	3.01%	Escalation Adjustment
20	553 - U-Renew	2,519	(2,519)	-	-		-	-	0.00%	Removed renewable overtime
21	556 - NU	61,259		61,259	30,629		63,570	2,311	3.77%	Escalation Adjustment
22	560 - NU	179		179	89		185	7	3.77%	Escalation Adjustment
23	560 - U	2,930		2,930	1,465		3,018	88	3.01%	Escalation Adjustment
24	561 - NU	137,944		137,944	68,972		143,149	5,205	3.77%	Escalation Adjustment
25	562 - U	14,250		14,250	7,125		14,680	430	3.01%	Escalation Adjustment
26	563 - NU	2,065		2,065	1,033		2,143	78	3.77%	Escalation Adjustment
27	563 - U	15,696		15,696	7,848		16,169	473	3.01%	Escalation Adjustment
28	566 - NU	1,570		1,570	785		1,629	59	3.77%	Escalation Adjustment
29	566 - U	27,214		27,214	13,607		28,034	820	3.01%	Escalation Adjustment
30	569 - U	91		91	46		94	3	3.01%	Escalation Adjustment
31	570 - NU	787		787	393		817	30	3.77%	Escalation Adjustment
32	570 - U	303,255		303,255	151,628		312,398	9,143	3.01%	Escalation Adjustment
33	571 - U	9,636		9,636	4,818		9,926	291	3.01%	Escalation Adjustment
34	574 - U	4,335		4,335	2,168		4,466	131	3.01%	Escalation Adjustment
35	580 - NU	6,244		6,244	3,122		6,480	236	3.77%	Escalation Adjustment
36	580 - U	1,906		1,906	953		1,963	57	3.01%	Escalation Adjustment
37	582 - NU	1,991		1,991	996		2,067	75	3.77%	Escalation Adjustment
38	582 - U	105		105	53		109	3	3.01%	Escalation Adjustment
39	583 - NU	(2,709)		(2,709)	(1,354)		(2,811)	(102)	3.77%	Escalation Adjustment
40	583 - U	450,949		450,949	225,475		464,545	13,596	3.01%	Escalation Adjustment
41	584 - NU	2,435		2,435	1,218		2,527	92	3.77%	Escalation Adjustment
42	584 - U	111,295		111,295	55,647		114,650	3,355	3.01%	Escalation Adjustment
43	586 - NU	172		172	86		178	6	3.77%	Escalation Adjustment
44	586 - U	184,659		184,659	92,329		190,226	5,567	3.01%	Escalation Adjustment
45	588 - NU	38,461		38,461	19,231		39,913	1,451	3.77%	Escalation Adjustment
46	588 - U	249,021		249,021	124,511		256,529	7,508	3.01%	Escalation Adjustment
47	592 - NU	358		358	179		371	13	3.77%	Escalation Adjustment
48	592 - U	74,818		74,818	37,409		77,073	2,256	3.01%	Escalation Adjustment
49	593 - NU	19,956		19,956	9,978		20,709	753	3.77%	Escalation Adjustment
50	593 - U	73,119		73,119	36,560		75,324	2,205	3.01%	Escalation Adjustment
51	594 - NU	(125)		(125)	(63)		(130)	(5)	3.77%	Escalation Adjustment
52	594 - U	121,732		121,732	60,866		125,402	3,670	3.01%	Escalation Adjustment
53	596 - NU	691		691	346		717	26	3.77%	Escalation Adjustment
54	596 - U	65,376		65,376	32,688		67,347	1,971	3.01%	Escalation Adjustment
55	597 - U	49,077		49,077	24,538		50,556	1,480	3.01%	Escalation Adjustment
56	901 - NU	1,366		1,366	683		1,417	52	3.77%	Escalation Adjustment
57	902 - NU	284,270		284,270	142,135		294,996	10,726	3.77%	Escalation Adjustment
58	902 - U	1,011		1,011	505		1,041	30	3.01%	Escalation Adjustment
59	903 - NU	117,328		117,328	58,664		121,755	4,427	3.77%	Escalation Adjustment
60	903 - U	2,881		2,881	1,440		2,968	87	3.01%	Escalation Adjustment
61	906 - NU	956		956	478		992	36	3.77%	Escalation Adjustment
62	912 - NU	60,851		60,851	30,426		63,148	2,296	3.77%	Escalation Adjustment
63	920 - NU - Production	807		807	403		837	30	3.77%	Escalation Adjustment
64	920 - NU - Transmission	256		256	128		265	10	3.77%	Escalation Adjustment
65	920 - NU - Distribution	1,047		1,047	523		1,086	39	3.77%	Escalation Adjustment
66	925 - U - Distribution	29		29	14		29	1	3.01%	Escalation Adjustment
67	928 - NU - Transmission	86		86	43		89	3	3.77%	Escalation Adjustment
68	935 - NU - Transmission	(164)		(164)	(82)		(170)	(6)	3.77%	Escalation Adjustment
69	935 - U - Transmission	51,346		51,346	25,673		52,894	1,548	3.01%	Escalation Adjustment
70	935 - U - Distribution	20,080		20,080	10,040		20,685	605	3.01%	Escalation Adjustment
71	Total Overtime	3,323,166	(2,519)	3,320,647	1,660,323	20,400	3,447,511	126,864		
72										
73	Summarized by Functionality									
74		Base Period	Remove Renewable Overtime	Adjusted Base Period	Linkage Period	Additional Overtime at La Luz	Test Period Escalation 2% - Union 2.5 % - Non Union			
75	Production-NU	76,576		76,576	38,288		79,465			
76	Production-U	732,389	(2,519)	729,870	364,935	20,400	772,889			
77	Transmission-NU	207,106		207,106	103,553		214,921			
78	Transmission-U	441,106		441,106	220,553		454,405			
79	Distribution-NU	472,286		472,286	236,143		490,107			
80	Distribution-U	1,393,704		1,393,704	696,852		1,435,723			
81	Total Overtime	3,323,166	(2,519)	3,320,647	1,660,323	20,400	3,447,510			
82										
83	Payroll Taxes									
84	FICA/FUTA/SUTA									
85	Production-NU	5,360	-	5,360	2,680		5,563			
86	Production-U	51,267	(176)	51,091	25,545	1,428	54,102			
87	Transmission-NU	14,497	-	14,497	7,249		15,044			
88	Transmission-U	30,877	-	30,877	15,439		31,808			
89	Distribution-NU	33,060	-	33,060	16,530		34,307			
90	Distribution-U	97,559	-	97,559	48,780		100,501			
91	Total FICA	232,622	(176)	232,445	116,223	1,428	241,326			
92										
93										
94		Linkage Period	Test Period							
95	Production	28,226	59,665							
96	Transmission	22,687	46,853							
97	Distribution	65,310	134,808							
98		116,223	241,326	WP GT-4, Column F						
99										
100	Escalation Factors:									
101	Non-Union	2.5%								
102	Union	2.0%								
103	Periods of Escalation	1.5								
104										
105		Note 1: Due to the addition of the new gas plant La Luz, PNM forecasted the need								
106		for two additional people to their test period labor headcount. Please refer to								
107		the testimony of PNM Witness Olson and PNM Exhibit CMO-7 for further								
108		explanation.								

	A	B	C	D	E	F	G
1	PNM Exhibit HEM-4						
2	WP LA-8 Services Overtime						
3	Base period data is historical information from the Company's Books and Records.						
4	Hyperlink to Lead Sheet		WP SS-2, Colum E	WP SS-1, Column AM			
5	Location	Base Period	Linkage Data	Test Period Escalation 2% - Union 2.5 % - Non Union	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
6	911	32,722	16,361	33,956	1,235	3.77%	Escalation Adjustment
7	912	6,621	3,310	6,870	250	3.77%	Escalation Adjustment
8	924	624	312	648	24	3.77%	Escalation Adjustment
9	941	26,902	13,451	27,917	1,015	3.77%	Escalation Adjustment
10	942	6,182	3,091	6,415	233	3.77%	Escalation Adjustment
11	946	1,077	538	1,117	41	3.77%	Escalation Adjustment
12	947	2,843	1,422	2,950	107	3.77%	Escalation Adjustment
13	951	5,003	2,501	5,191	189	3.77%	Escalation Adjustment
14	953	429	214	445	16	3.77%	Escalation Adjustment
15	968	196	98	204	7	3.77%	Escalation Adjustment
16	977	13,943	6,971	14,469	526	3.77%	Escalation Adjustment
17	980	5,088	2,544	5,280	192	3.77%	Escalation Adjustment
18	993	5,684	2,842	5,898	214	3.77%	Escalation Adjustment
19	Total Overtime	107,313	53,657	111,363	4,049		
20							
21		WP SS-12, Column B	WP SS-9, Column B				
22		Payroll Tax					
23	FICA/FUTA/SUTA	Linkage	Test Period				
24	911	1,438	2,985				
25	912	291	604				
26	924	27	57				
27	941	1,182	2,454				
28	942	272	564				
29	946	47	98				
30	947	125	259				
31	951	220	456				
32	953	19	39				
33	968	9	18				
34	977	613	1,272				
35	980	224	464				
36	993	250	518				
37	Total FICA	4,716	9,789				
38							
39	Escalation Factors:						
40	Non-Union	2.5%					
41	Periods of Escalatic	1.5					

	A	B	C	D	E	F	G
1	PNM Exhibit HEM-4						
2	WP LA-9 San Juan Generation Station Overtime						
3	Base period data is historical information from the Company's Books and Records.						
4	Hyperlink to Lead Sheet						
5							
6		**WP OM-4, Column K**		**WP OM-4, Column AE**			
7	**FERC**	**Base Period**	**Linkage Data**	**Test Period Escalation 2% - Union 2.5 % - Non Union**	**Adjusted Base and Test Period Variance**	**Test Period Adjusted Base Period Variance - %**	**Explanation**
8	500 - NU	282,296	141,148	292,948	10,652	3.77%	Escalation Adjustment
9	500 - U	1,489	744	1,533	45	3.01%	Escalation Adjustment
10	502 - NU	318	159	330	12	3.77%	Escalation Adjustment
11	502 - U	634,342	317,171	653,467	19,125	3.01%	Escalation Adjustment
12	505 - NU	1,084	542	1,125	41	3.77%	Escalation Adjustment
13	505 - U	513,681	256,841	529,169	15,487	3.01%	Escalation Adjustment
14	506 - NU	6,992	3,496	7,256	264	3.77%	Escalation Adjustment
15	506 - U	1,118	559	1,152	34	3.01%	Escalation Adjustment
16	510 - NU	126,660	63,330	131,439	4,779	3.77%	Escalation Adjustment
17	510 - U	3,796	1,898	3,910	114	3.01%	Escalation Adjustment
18	511 - NU	478	239	496	18	3.77%	Escalation Adjustment
19	511 - U	189,749	94,874	195,469	5,721	3.01%	Escalation Adjustment
20	512 - NU	98,392	49,196	102,105	3,713	3.77%	Escalation Adjustment
21	512 - U	1,355,066	677,533	1,395,920	40,855	3.01%	Escalation Adjustment
22	513 - NU	(58)	(29)	(60)	(2)	3.77%	Escalation Adjustment
23	513 - U	135,091	67,546	139,164	4,073	3.01%	Escalation Adjustment
24	514 - NU	(1,339)	(670)	(1,390)	(51)	3.77%	Escalation Adjustment
25	514 - U	102,627	51,314	105,722	3,094	3.01%	Escalation Adjustment
26	570 - U	8,848	4,424	9,115	267	3.01%	Escalation Adjustment
27	Total Overtime	3,460,629	1,730,314	3,568,869	108,241		
28							
29							
30							
31	Payroll Taxes	**WP GT-4, Column C**	**WP GT-4, Column G**				
32	Production	Linkage	Test Period				
33	FICA	116,623	240,542				
34							
35	Escalation Factors:						
36	Non-Union	2.5%					
37	Union	2.0%					
38	Periods of Escalation	1.5					

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1	PNM Exhibit HEM-4																
2	WP-LA-10 PNM Payroll Tax																
3	Base period data is historical information from the Company's Books and Records.																
4	Hyperlink to Lead Sheet																
5																	
6																	
7		March 27, 2015 Pay Period	Normalize Base Period Column B * 26 (total pay periods in one year)	Remove Renew	Escalation 2% - Union 2.5 % - Non Union	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
8	Production - Non Union	593,110	15,420,851	(141,582)	15,661,251	1,305,104	1,305,104	1,305,104	1,305,104	1,305,104	1,305,104	1,305,104	1,305,104	1,305,104	1,305,104	1,305,104	1,305,104
9	Production - Union	103,952	2,702,740		2,756,794	229,733	229,733	229,733	229,733	229,733	229,733	229,733	229,733	229,733	229,733	229,733	229,733
10	Transmission - Non Union	205,257	5,336,693		5,470,110	455,843	455,843	455,843	455,843	455,843	455,843	455,843	455,843	455,843	455,843	455,843	455,843
11	Transmission - Union	66,725	1,734,852		1,769,549	147,462	147,462	147,462	147,462	147,462	147,462	147,462	147,462	147,462	147,462	147,462	147,462
12	Distribution - Non Union	170,399	4,430,381	(12,869)	4,527,949	377,329	377,329	377,329	377,329	377,329	377,329	377,329	377,329	377,329	377,329	377,329	377,329
13	Distribution - Union	314,833	8,185,658		8,349,371	695,781	695,781	695,781	695,781	695,781	695,781	695,781	695,781	695,781	695,781	695,781	695,781
14	Total	1,454,276	37,811,174	(154,451)	38,535,024	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252	3,211,252
15					(0)												
16	Payroll Taxes																
17	FICA/FUTA/SUTA																
18	Production	48,794	1,268,651	(9,911)	1,289,263	107,439	107,439	107,439	107,439	107,439	107,439	107,439	107,439	107,439	107,439	107,439	107,439
19	Transmission	19,039	495,008	-	506,776	42,231	42,231	42,231	42,231	42,231	42,231	42,231	42,231	42,231	42,231	42,231	42,231
20	Distribution	33,966	883,123	(901)	901,412	75,118	75,118	75,118	75,118	75,118	75,118	75,118	75,118	75,118	75,118	75,118	75,118
21	Total FICA	101,799	2,646,782	(10,812)	2,697,452	224,788	224,788	224,788	224,788	224,788	224,788	224,788	224,788	224,788	224,788	224,788	224,788
22																	
23																	
24		Base Period	Payroll Tax Normalization Adjustment	Adjusted Base Period													
25		195,401	1,093,862	1,289,263	Production												
26		100,685	406,091	506,776	Transmission												
27		2,461,830	(1,560,418)	901,412	Distribution												
28		2,757,916	(60,464)	2,697,452													
29																	
30																	
31																	
32		Payroll Tax Rate	FICA/FUTA/SUTA														
33		2015	7.00%	Note 2													
34		2016	7.00%	Note 2													
35																	
36		Note 1: Due to the addition of the new gas plant La Luz, PNM forecasted the need															
37		for two additional people to their test period labor headcount. Please refer to															
38		PNM Witness Olson's testimony for father explanation.															
39		Note 2: The payroll tax rates reflect FICA, FUTA, and SUTA payroll taxes and are based on effective tax rates utilized in our capital loads.															
40		Please refer to the testimony of PNM witness Peters for discussion on capital loads.															
41																	
42																	
43		Escalation Factors															
44		Non-Union	2.5%														
45		Union	2.0%														
46		Periods of Escalati	1.5														

	A	R	S	T	U	V	W	X	Y	Z	AA
1	PNM Exhibit HEM-4										
2	WP-LA-10 PNM Payroll Tax										
3	Base period data is historical inforn										
4	Hyperlink to Lead Sheet										
5											
6											
7		Escalation 2% - Union 2.5 % - Non Union	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Additional Headcount at La Luz	Linkage Data	Total Test Period
8	Production - Non Union	16,052,782	1,337,732	1,337,732	1,337,732	1,337,732	1,337,732	1,337,732	182,034	7,830,625	16,039,050
9	Production - Union	2,811,930	234,328	234,328	234,328	234,328	234,328	234,328		1,378,397	2,784,362
10	Transmission - Non Union	5,606,863	467,239	467,239	467,239	467,239	467,239	467,239		2,735,055	5,538,487
11	Transmission - Union	1,804,940	150,412	150,412	150,412	150,412	150,412	150,412		884,774	1,787,244
12	Distribution - Non Union	4,641,148	386,762	386,762	386,762	386,762	386,762	386,762		2,263,975	4,584,549
13	Distribution - Union	8,516,358	709,697	709,697	709,697	709,697	709,697	709,697		4,174,685	8,432,865
14	Total	39,434,021	3,286,168	3,286,168	3,286,168	3,286,168	3,286,168	3,286,168		19,267,512	39,166,557
15											
16	Payroll Taxes										
17	FICA/FUTA/SUTA									WP GT-4, Column B	WP GT-4, Column F
18	Production	1,320,530	110,044	110,044	110,044	110,044	110,044	110,044	12,742	644,632	1,317,639
19	Transmission	518,826	43,236	43,236	43,236	43,236	43,236	43,236	-	253,388	512,801
20	Distribution	921,025	76,752	76,752	76,752	76,752	76,752	76,752	-	450,706	911,219
21	Total FICA	2,760,381	230,032	230,032	230,032	230,032	230,032	230,032	12,742	1,348,726	2,741,659
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PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP SS

Is contained in the following 20 pages.

	A	B	C	D	E
1	PNM Exhibit HEM - 4				
2	WP SS - Lead Sheet				
3				*Provides Information To*	*Requires Information From*
4	*Tab Reference*	*Description*	*Purpose*	*Tab name*	*Tab name*
5	WP SS - 1	Summary of Shared Services, Base Period and Test Period	Provides a summary of shared services by location, including allocation to PNM, for base period, adjusted base period, and test period	WP SS-3, WP OM - O&M Workpaper.xlsx; WP OM-3, WP OM-4	WP SS-4, WP SS-7, WP-SS 8, WP SS-10 , WP SS-11 , WP OM-O&M Workpaper.xlsx;WP OM-16 , WP LA-2 , WP SS-1A , WP SS-1B, WP LA-8 S, WP OM-O&M Workpaper.xlsx;WP OM-6, SS-3
6	WP SS-1A	2015 Allocation Rates	Provides 2015 shared services allocation rates	WP SS-1, WP SS-3, WP SS-4, WP SS-6, WP SS-5, WP SS-1 Linkage	Manual Inputs
7	WP SS-1B	2016 Allocation Rates	Provides 2016 shared services allocation rates	WP SS-1, WP SS-2 , WP SS-5 BU 8, WP SS-4, WP SS-6, WP SS-5	Manual Inputs
8	WP SS-2	Linkage Data for Shared Services	Provides a summary of shared services by location, including allocation to PNM, for linkage data	WP OM-O&M Workpaper.xlsx; WP OM-11	WP SS-1A ,WP OM-O&M Workpaper.xlsx;WP OM-6 , WP LA-8 , WP SS-11 I, WP LA - Labor Workpaper.xlsx; WP LA-5
9	WP SS-3	Summary of Shared Services Adjustments, Base Period	Provides a summary of base period shared services adjustments in cost of service format	WP Plant - Net Plant Workpaper.xlsx; WP Plant 1b, WP GT - General Taxes Workpaper.xlsx; WP GT-3, WP GT-4, WP RC - Revenue Credits Workpaper.xlsx; WP RC - 1	WP SS-4 WP SS-7 , WP-SS 8, WP SS-6
10	WP SS-4	Depreciation expense allocation, Base Period	Provides allocation of depreciation expense allocation for the base period, by location	WP SS-3	WP SS-1A, WP SS-1
11	WP SS-5	Depreciation expense allocation, Base Period - PNM Resources	Provides the PNMR Resources Allocation of Depreciation	WP SS-4	WP SS-1A, WP SS-1
12	WP SS-6	Revenue allocation, Base Period	Provides allocation of revenue for the base period, by location	WP SS-3	WP SS-1A, WP SS-1
13	WP SS-7	Payroll Taxes allocation, base period	Provides allocation of payroll taxes for the base period, by location	WP SS-3	WP SS-1A, WP SS-1
14	WP SS-8	Property Taxes allocation, base period	Provides allocation of property taxes for the base period, by location	WP SS-3	WP SS-1A
15	WP SS-9	Payroll Taxes Allocation, Test Period	Provides a summary of payroll taxes allocation for the Test Period by location including Total PNM Adjusted Payroll Tax	WP GT- General Taxes Workpaper.xlsx; WP GT-3	WP LA - Labor Workpaper.xlsx; WP LA-5, WP LA - Labor Workpaper.xlsx; WP LA-8, SS-11, SS 1B
16	WP SS-10	Remove EEI Lobbying Expenses	Provides EEI (Edison Electric Institute) lobbying expenses for adjustment	WP SS-1	Manual Inputs
17	WP SS-11	Incentive Compensation	Provides a summary of incentive compensation for the base and test periods	WP SS-1, WP OM-O&M Workpaper.xlsx; WP OM-4	Manual Inputs
18	WP SS-12	Payroll Taxes Allocation, Linkage Period	Provides a summary of payroll taxes allocation for the Linkage Period by location including Total PNM Adjusted Payroll Tax	WP GT- General Taxes Workpaper.xlsx; WP GT-3	WP LA - Labor Workpaper.xlsx; WP LA-5, WP LA - Labor Workpaper.xlsx; WP LA-8, SS-11, SS 1A
19					
20					
21					
22	Note: File name is provided, if worksheet is linked to external workbook.				

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1	PNM Exhibit HEM-4																
2	WP SS-1: Summary of Shared Services																
3	Hyperlink to Lead Sheet																
4	Note - Base period data is historical information from the Company's Books and Records.																
5										Shared Services							
6	Location	Elements of Cost	Total SS Base Period	WP SS-4 Column C Reclass Depreciation Note 2	Adjustment - Remove Other Income and Deductions - Note 1	WP SS-6, Column C Reclass Revenue- Note 2	WP SS-7, Column C Reclass Payroll Tax-Note 2	WP SS-8, Column C Reclass Property Tax-Note 2	WP SS-10, Column F Remove EEI Lobbying Expenses	Remove Non-Recurring Expenses- Note 3	WP SS-11 Remove Incentive Compensation, Column D	WP OM-6 Medical & Dental, Column D	Remove Miscellaneous Expenses- Note 4	WP OM-15 Cyber Liability Insurance Normalization	Non Allowable Legal Expenses- Note 5	Non-Allowable Advertising - Note 6	WP-LA-2, Column E Labor Adjustment
33	911	Total Location 911	9,932,935	(1,578,286)	(10,000)	-	-	-	-	(37,671)	(443,042)	-	(224,354)		-	-	(347,329)
49	912	Total Location 912	400,330	(9,549)	(39,042)	-	-	-	-	-	-	-	-		-	-	5,479
64	914	Total Location 914	1,129,862	(780,886)	-	-	-	-	-	-	-	-	-		-	-	(29,377)
65	920	Total Location 920	-	-	-	-	-	-	-	-	-	-	-		-	-	-
87	924	Total Location 924	3,846,688	(1,306,548)	(33,053)	-	-	-	-	(93,808)	-	-	-	-	-	-	-
133	941	Total Location 941	20,064,508	(2,692,463)	369,198	-	583,399	(512,958)	(64,752)	-	(402,992)	-	(172,184)	103,494	(16,619)	(95,868)	(916,953)
159	942	Total Location 942	7,603,216	-	(116,297)	-	(135,342)	-	-	-	(3,069,052)	-	(98)		(1,247)	(126,544)	119,663
182	946	Total Location 946	7,038,047	-	(10,000)	-	(146,207)	-	-	(292,932)	(3,505,536)	-	-		(232,975)	-	(245,166)
206	947	Total Location 947	2,946,909	-	-	-	(38,216)	-	-	(161,645)	(897,089)	-	-		(110,123)	-	(1,498)
228	948	Total Location 948	2,323,191	(353,923)	-	-	-	-	-	(1,115,189)	-	-	-		(54)	-	126,953
229	950	Total Location 950	-	-	-	-	-	-	-	-	-	-	-	-			
265	951	Total Location 951	6,954,290	(51,008)	(2,284,273)	-	(22,044)	-	-	(55,040)	(357,816)	-	(5,208)		-	(195,949)	109,698
269	952	Total Location 952	365,391	-	-	-	(20,483)	-	-	-	(309,792)	-					
300	953	Total Location 953	9,171,201	(754,428)	-	-	(130,584)	-	-	-	(2,994,276)	-	-		-	(300)	(70,299)
309	954	Total Location 954	486,799	-	(17,399)	-	(5,880)	-	-	-	(282,683)	-					
310	956	Total Location 956	-	-	-	-	-	-	-	-	-	-					
311	957	Total Location 957	-	-	-	-	-	-	-	-	-	-					
336	963	Total Location 963	1,460,111	-	-	-	-	-	-	(112,430)	-	-	-		-	-	22,949
345	964	Total Location 964	608,345	(604,788)	-	-	-	-	-	-	-	-	-		-	-	(5,673)
373	968	Total Location 968	19,472,341	(4,244,906)	-	-	-	-	-	-	-	-	-		-	-	409,824
374	973	Total Location 973										-					
390	974	Total Location 974	261,845	(62,215)	32,100	-	-	(4,784)	-	-	-	-	-		-	-	(12,673)
414	977	Total Location 977	3,133,796	(988,981)	5,208	140,630	-	(356,760)	-	-	-	-	-		-	-	113,517
426	980	Total Location 980	521,414	-	-	-	-	-	-	-	-	-	-		-	-	(16,693)
427	982	Total Location 982	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
428	983	Total Location 983	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
429	984	Total Location 984	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
430	992	Total Location 992	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
465	993	Total Location 993	18,458,091	(172,873)	-	-	(3,351,213)	-	-	(93,993)	-	1,635,142	-		-	(20,070)	284,581
466	Grand Total		116,179,311	(13,600,855)	(2,103,557)	140,630	(3,266,570)	(874,502)	(64,752)	(1,962,708)	(12,262,278)	1,635,142	(401,843)	103,494	(361,017)	(655,199)	(720,475)
467			General Note: Location 999 costs are not presented in this workpaper because all costs in location 999 are held at Services Company and are not allocated to a utility.														
468			General Note: The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.														
469			Note 1: PNM does not seek recovery of other income and deduction activity in the cost of service.														
470			Note 2:PNM reclasses Shared Service into specific cost categories to ensure that they are allocated appropriately in the Cost of Service model.														
471			Note 3: PNM does not seek recovery of non-recurring expenses. Non recurring expenses are tracked in the books and records by a unique Home Center.														
472			Note 4: PNM does not seek recovery of miscellaneous expenses charged by Senior Management.														
473			Note 5: PNM does not seek recovery of certain legal expenses. Please refer to the testimony of PNM Witness Sanchez.														
474			Note 6: PNM does not seek recovery of certain advertising expenses. Please refer to the testimony of PNM Witness Larsen.														
475			Note 7: PNM is seeking a 1.5% Recovery of Services Expenses. Please refer to the testimony of PNM Witness Monroy.														
476			Note 8: Please Refer to Column K for summary of adjustments. For a detail listing of adjustments please refer to SS-11.														
477	Escalation Factor	1.50%															
478	Period of Escalation	1															

	A	B	R	S	T	U	V	W	X	Y	Z
1	PNM Exhibit HEM-4										
2	WP SS-1: Summary of Shared Services										
3	Hyperlink to Lead Sheet										
4	Note - Base period data is historical information from the Company's Books and Records.										
5					Allocation of Shared Services						
6	Location	Elements of Cost	Base Period Adjusted Shared Services Sum Column C through Column Q	001 - Distribution Column R * 2015 rates	003 - Production Column R * 2015 rates	002 - Transmission Column R * 2015 rates	034 - PNM South Distribution Column R * 2015 rates	035 - PNM South Transmission Column R * 2015 rates		Total PNM adjusted Shared Services Allocation Sum Column R through V	Reference
33	911	Total Location 911	7,292,252	2,363,419	1,669,197	469,621	433,889	36,461		4,972,587	
49	912	Total Location 912	357,218	106,701	71,301	35,150	19,218	2,000		234,371	
64	914	Total Location 914	319,599	126,401	28,572	27,901	58,103	11,410		252,387	
65	920	Total Location 920	-							-	
87	924	Total Location 924	1,869,329	1,680,713	-	-	188,615	-		1,869,329	
133	941	Total Location 941	16,305,815	4,581,934	5,940,209	1,200,108	851,164	47,287		12,620,701	
159	942	Total Location 942	4,274,301	4,274,301	-	-	-	-		4,274,301	
182	946	Total Location 946	2,605,231	-	2,605,231	-	-	-		2,605,231	
206	947	Total Location 947	1,738,338	-	-	1,738,338	-	-		1,738,338	
228	948	Total Location 948	980,978	661,670	-	187,857	123,505	7,946		980,978	
229	950	Total Location 950	-							-	
265	951	Total Location 951	4,092,651	1,492,999	1,920,681	385,937	278,300	14,734		4,092,651	
269	952	Total Location 952	35,115	-	-	-	-	35,115		35,115	
300	953	Total Location 953	5,221,313	-	-	-	-	-		-	
309	954	Total Location 954	180,837	-	-	-	180,837	-		180,837	
310	956	Total Location 956	-							-	
311	957	Total Location 957	-							-	
336	963	Total Location 963	1,370,630	501,239	399,402	60,856	76,481	1,097		1,039,075	
345	964	Total Location 964	(2,115)	(796)	(564)	(123)	(114)	(1)		(1,598)	
373	968	Total Location 968	15,637,259	5,793,604	4,132,928	803,755	936,672	15,637		11,682,596	
374	973	Total Location 973	-	-	-	-	-	-		-	
390	974	Total Location 974	214,273	79,388	56,632	11,014	12,835	214		160,083	
414	977	Total Location 977	2,047,410	803,608	557,919	117,317	125,711	5,323		1,609,878	
426	980	Total Location 980	504,721	85,046	373,847	24,025	15,899	1,009		499,825	
427	982	Total Location 982	-							-	
428	983	Total Location 983	-							-	
429	984	Total Location 984	-							-	
430	992	Total Location 992	-	-	-	-	-	-		-	
465	993	Total Location 993	16,739,666	6,428,032	4,735,651	575,844	955,835	-		12,695,362	
466	Grand Total		81,784,820	28,978,259	22,491,005	5,637,600	4,256,951	178,232		61,542,047	
467											
468											
469									22,491,005	Production	WP SS-3, line 14, WP GT-4 18
470									5,815,833	Transmission	WP SS-3, line 15, WP GT-4 19
471									33,235,210	Distribution	WP SS-3, line 16, WP GT-4 20
472											
473											
474											
475											
476											
477	Escalation Factor	15%									
478	Period of Escalation	1									

	A	B	AA	AC	AD	AE	AF	AG	AI	AK	AL	AM	AN	AO
1	PNM Exhibit HEM-4													
2	WP SS-1: Summary of Shared Services													
3	Hyperlink to Lead Sheet													
4	Note - Base period data is historical information from the Company's Books and Records.													
5				Remove Specifically Adjusted Shared Services							Return Specifically Adjusted Shared Services			
6	Location	Elements of Cost	Adjusted Base Period Shared Services Column R	WP-LA-2, Column F Labor Adjustment	WP-LA-8, Column B Remove Overtime	WP OM-15, Column E Remove Cyber Liability Insurance	WP SS-11 Remove Incentive Compensation, Column E	Adjusted Base Period for Common escalation	Escalation of Share Services O&M Column AG * (Escalation Factor * Period of Escalation)	Escalated Shared Services O&M Column AG + Column AI	WP-LA-2, Column H -Test Period Labor	WP-LA-8, Column D- Test Period Overtime	WP SS-11 Test Period Incentive Comp, Column E	WP OM-15, Column H, Cyber Insurance Liability-Test Period
33	911	Total Location 911	7,292,252	(4,420,885)	(32,722)	-	-	2,838,646	42,580	2,881,226	4,588,049	33,956	-	-
49	912	Total Location 912	357,218	(347,109)	(6,621)		-	3,488	52	3,540	360,234	6,870	-	-
64	914	Total Location 914	319,599	(314,343)	-		-	5,256	79	5,335	326,229	-	-	-
65	920	Total Location 920	-					-	-	-				
87	924	Total Location 924	1,859,329	(1,318,484)	(624)		-	550,220	8,253	558,473	1,368,340	648	-	-
133	941	Total Location 941	16,305,815	(9,729,010)	(26,902)	(137,992)	-	6,411,911	96,179	6,508,090	10,096,888	27,917	-	151,791
159	942	Total Location 942	4,274,301	(1,485,715)	(6,182)		(377,695)	2,404,708	36,071	2,440,779	1,541,894	6,415	1,295,153	-
182	946	Total Location 946	2,605,231	(1,300,160)	(1,077)		(382,341)	921,654	13,825	935,478	1,349,322	1,117	1,311,085	-
206	947	Total Location 947	1,738,338	(257,007)	(2,843)		(71,645)	1,406,843	21,103	1,427,946	266,725	2,950	245,678	-
228	948	Total Location 948	980,978	(822,543)	-		-	158,435	2,377	160,811	853,646	-	-	-
229	950	Total Location 950	-					-	-	-				
265	951	Total Location 951	4,092,651	(2,183,747)	(5,003)		1	1,903,901	28,559	1,932,460	2,266,320	5,191	-	-
269	952	Total Location 952	35,115				0	35,115	527	35,642				
300	953	Total Location 953	5,221,313	(1,297,901)	(429)		(260,786)	3,662,198	54,933	3,717,131	1,346,978	445	894,261	-
309	954	Total Location 954	180,837	-	-		(57,535)	123,302	1,850	125,152	-	-	197,292	-
310	956	Total Location 956	-					-	-	-				
311	957	Total Location 957	-					-	-	-				
336	963	Total Location 963	1,370,630	(412,661)	-			957,969	14,370	972,339	428,265	-	-	-
345	964	Total Location 964	(2,115)	-	-			(2,115)	(32)	(2,147)	-	-	-	-
373	968	Total Location 968	15,637,259	(4,707,948)	(196)			10,929,115	163,937	11,093,051	4,885,967	204	-	-
374	973	Total Location 973	-					-	-	-				
390	974	Total Location 974	214,273	-	-		-	214,273	3,214	217,487	-	-	-	-
414	977	Total Location 977	2,047,410	(659,210)	(13,943)		-	1,374,257	20,614	1,394,871	684,136	14,469	-	-
426	980	Total Location 980	504,721	(12,668)	(5,088)		-	486,965	7,304	494,269	13,147	5,280	-	-
427	982	Total Location 982	-					-	-	-				
428	983	Total Location 983	-					-	-	-				
429	984	Total Location 984	-					-	-	-				
430	992	Total Location 992	-					-	-	-				
465	993	Total Location 993	16,739,666	(3,491,459)	(5,684)		0	13,242,523	198,638	13,441,161	3,623,480	5,898	-	0
466	Grand Total		81,784,820	(32,760,851)	(107,313)	(137,992)	(1,150,001)	47,628,663	714,430	48,343,093	33,999,621	111,363	3,943,469	151,791
467														
468														
469														
470														
471														
472														
473														
474														
475														
476														
477	Escalation Factor	1.50%												
478	Period of Escalation	1												

	A	B	AP	AQ	AR	AS	AT	AU	AV	AW	AY	AZ	BA	BB
1	PNM Exhibit HEM-4													
2	WP SS-1: Summary of Shared Services													
3	Hyperlink to Lead Sheet													
4	Note - Base period data is historical information from the Company's Books and Records.													
5				Test Period Allocation of Shared Services										
6	Location	Elements of Cost	Adjusted Test Period Shared Services Sum Column AK through AO	001 - Distribution Column AP* 2016 rates	003 - Production Column AP * 2016 rates	002 - Transmission Column AP * 2016 rates	034 - PNM South Distribution Column AP * 2016 rates	035 - PNM South Transmission Column AP * 2016 rates		Total PNM adjusted Shared Services Allocation Sum Column AR through AV	Test Period To Adjusted Base Period Variance - $	Test Period to Adjusted Base Period Variance - %	Explanation	
33	911	Total Location 911	7,503,232	2,470,064	1,607,192	515,472	415,679	56,274		5,064,681	92,094	1.85%		
49	912	Total Location 912	370,645	113,862	71,497	39,585	19,422	2,854		247,220	12,850	5.48%		
64	914	Total Location 914	331,564	132,493	29,609	28,879	58,853	11,538		261,372	8,985	3.56%		
65	920	Total Location 920	-	-	-	-	-	-		-	-	Not Applicable		
87	924	Total Location 924	1,927,461	1,734,136	-	-	193,324	-		1,927,461	58,132	3.11%		
133	941	Total Location 941	16,784,687	5,032,049	5,673,224	1,270,601	891,267	55,389		12,922,530	301,829	2.39%		
159	942	Total Location 942	5,284,242	5,284,242	-	-	-	-		5,284,242	1,009,941	23.63%	Note 8	
182	946	Total Location 946	3,597,003	-	3,597,003	-	-	-		3,597,003	991,772	38.07%	Note 8	
206	947	Total Location 947	1,943,299	-	-	1,943,299	-	-		1,943,299	204,961	11.79%	Note 8	
228	948	Total Location 948	1,014,457	692,468	-	192,544	120,213	9,232		1,014,457	33,479	3.41%		
229	950	Total Location 950	-	-	-	-	-	-		-	-	Not Applicable		
265	951	Total Location 951	4,203,971	1,647,116	1,836,715	409,467	293,437	17,236		4,203,971	111,321	2.72%		
269	952	Total Location 952	35,642	-	-	-	-	35,642		35,642	527	1.50%		
300	953	Total Location 953	5,958,814	-	-	-	-	-		-	-	Not Applicable		
309	954	Total Location 954	322,444	-	-	-	322,444	-		322,444	141,607	78.31%	Note 8	
310	956	Total Location 956	-	-	-	-	-	-		-	-	Not Applicable		
311	957	Total Location 957	-	-	-	-	-	-		-	-	Not Applicable		
336	963	Total Location 963	1,400,604	524,526	390,908	65,828	76,613	1,541		1,059,416	20,342	1.96%		
345	964	Total Location 964	(2,147)	(851)	(556)	(125)	(118)	(2)		(1,652)	(54)	3.38%		
373	968	Total Location 968	15,979,222	6,123,238	4,079,495	875,661	902,826	19,175		12,000,396	317,800	2.72%		
374	973	Total Location 973	-	-	-	-	-	-		-	-	Not Applicable		
390	974	Total Location 974	217,487	83,341	55,524	11,918	12,288	261		163,333	3,249	2.03%		
414	977	Total Location 977	2,093,476	843,671	534,255	126,865	127,493	7,327		1,639,611	29,732	1.85%		
426	980	Total Location 980	512,697	87,774	379,139	24,251	15,278	1,179		507,621	7,796	1.56%		
427	982	Total Location 982	-	-	-	-	-	-		-	-	Not Applicable		
428	983	Total Location 983	-	-	-	-	-	-		-	-	Not Applicable		
429	984	Total Location 984	-	-	-	-	-	-		-	-	Not Applicable		
430	992	Total Location 992	-	-	-	-	-	-		-	-	Not Applicable		
465	993	Total Location 993	17,070,539	6,804,317	4,475,895	621,368	978,142	11,949		12,891,671	196,308	1.55%		
466	Grand Total		86,549,337	31,572,445	22,729,902	6,125,613	4,427,161	229,596		65,084,717	3,542,670	5.76%		
467														
468														
469									22,729,902	Production	WP OM-2 Column L			
470									6,355,209	Transmission	WP OM-2 Column L			
471									35,999,606	Distribution	WP OM-2 Column L			
472														
473														
474														
475														
476														
477	Escalation Factor	1.50%												
478	Period of Escalation	1												

	A	B	C	D	E	F	G	H	I	J	K
1	PNM Exhibit HEM-4										
2	WP SS-1 A: 2015 Allocation Rates										
3	Hyperlink to Lead Sheet										
4											
5	2015 Allocation Rates reflected in the Cost Allocation Manual filed December 23, 2014. Please refer to the testimony of PNM Witness Peters for additional discussion.										
6											
7	Location	Description	Electric Services	Bulk Generation	Electric Transmission	NM-Distribution	NM-Transmission	TNMP-TX	PNM Resources		LOC
8			001	003	002	034	035	012	008		
9											
10	174	Gen Mgmt--001/002/034/035	67.46%	0.00%	19.15%	12.53%	0.86%			0.00%	173
11										100.00%	174
12	188	PNM Elec Customers	89.91%	0.00%	0.00%	10.09%	0.00%			0.00%	185
13	192	TNMP - Texas (Svcs Agreement)						100.00%		100.00%	188
14	194	Assets - SNM 034/035	0.00%	0.00%	0.00%	83.57%	16.43%			100.00%	192
15	911	Financial Systems	32.41%	22.89%	6.44%	5.95%	0.50%	31.81%		100.00%	194
16	912	Accounts Payable	29.87%	19.96%	9.84%	5.38%	0.56%	34.39%		100.00%	911
17	914	Asset Management	39.55%	8.94%	8.73%	18.18%	3.57%	21.03%		100.00%	912
18										100.00%	914
19	924	Number of Customers	89.91%	0.00%	0.00%	10.09%	0.00%	0.00%		0.00%	920
20	941	Direct PNMR Utility	28.10%	36.43%	7.36%	5.22%	0.29%	22.60%		100.00%	924
21	942	Direct PNM Electric Services	100.00%							100.00%	941
22	946	Direct PNM Bulk Generation		100.00%						100.00%	942
23	947	Direct PNM Elec Transmission			100.00%					100.00%	946
24	948	Direct PNM Util T&D (wo Bulk, wo Texas)	67.45%	0.00%	19.15%	12.59%	0.81%	0.00%		100.00%	947
25										100.00%	948
26	951	Direct PNM Util w Bulk Gen, wo Texas	36.48%	46.93%	9.43%	5.80%	0.36%	0.00%		0.00%	950
27	952	Direct PNM SNM - Transmission					100.00%			100.00%	951
28	953	Direct TNMP - Texas						100.00%		100.00%	952
29	954	Direct PNM SNM - Distribution				100.00%				100.00%	953
30										100.00%	954
31										0.00%	956
32	963	IT - Telecomm	36.57%	29.14%	4.44%	5.58%	0.08%	24.19%		0.00%	957
33	964	IT - Desktops	37.63%	26.68%	5.80%	5.37%	0.07%	24.45%		100.00%	963
34	968	IT - Infrastructure	37.05%	26.43%	5.14%	5.99%	0.10%	25.29%		100.00%	964
35	973	Building - Texas Lewisville	24.29%	21.83%	3.39%	3.87%	0.07%	46.55%		100.00%	968
36	974	Dallas Building - Las Colinas	37.05%	26.43%	5.14%	5.99%	0.10%	25.29%		100.00%	973
37	977	Abq Downtown Buildings -- Alvarado Square, Headquarters, Annex	39.25%	27.25%	5.73%	6.14%	0.26%	21.37%		100.00%	974
38	980	Abq Aztec Building	16.85%	74.07%	4.76%	3.15%	0.20%	0.97%		100.00%	977
39										100.00%	980
40										0.00%	982
41										0.00%	983
42										0.00%	984
43	992	General Allocator (BUDGET)	28.10%	36.43%	7.36%	5.22%	0.29%	22.60%		0.00%	985
44	993	Employee Headcount (PNMR)	38.40%	28.29%	3.44%	5.71%	0.00%	24.16%		100.00%	992
45	995	Employee Headcount	38.40%	28.29%	3.44%	5.71%	0.00%	24.16%		100.00%	993
46	999	Direct PNMR Holding Co.							100.00%	100.00%	995
										100.00%	999

	A	B	C	D	E	F	G	H	I	J	K
1	PNM Exhibit JAP-5										
2	WP SS-1 B: 2016 Allocation Rates										
3	Hyperlink to Lead Sheet										
4	2016 Allocation Rates reflected in the Cost Allocation Manual. Please refer to JAP Exhibit -										
5	5.										
6											
7	Location	Description	Electric Services	Bulk Generation	Electric Transmission	NM-Distribution	NM-Transmission	TNMP-TX	PNM Resources		LOC
8			001	003	002	034	035	012	008		
9										0.00%	173
10	174	Gen Mgmt--001/002/034/035	68.26%	0.00%	18.98%	11.85%	0.91%			100.00%	174
11										0.00%	185
12	188	PNM Elec Customers	89.97%	0.00%	0.00%	10.03%	0.00%			100.00%	188
13	192	TNMP - Texas (Svcs Agreement)						100.00%		100.00%	192
14	194	Assets - SNM 034/035	0.00%	0.00%	0.00%	83.59%	16.41%			100.00%	194
15	911	Financial Systems	32.92%	21.42%	6.87%	5.64%	0.75%	32.50%		100.00%	911
16	912	Accounts Payable	30.72%	19.29%	10.68%	5.24%	0.77%	33.30%		100.00%	912
17	914	Asset Management	39.96%	8.93%	8.71%	17.75%	3.48%	21.17%		100.00%	914
18										0.00%	920
19	924	Number of Customers	89.97%	0.00%	0.00%	10.03%	0.00%	0.00%		100.00%	924
20	941	Direct PNMR Utility	29.98%	33.80%	7.57%	5.31%	0.33%	23.01%		100.00%	941
21	942	Direct PNM Electric Services	100.00%							100.00%	942
22	946	Direct PNM Bulk Generation		100.00%						100.00%	946
23	947	Direct PNM Elec Transmission			100.00%					100.00%	947
24	948	Direct PNM Util T&D (wo Bulk, wo Texas)	68.26%	0.00%	18.98%	11.85%	0.91%	0.00%		100.00%	948
25										0.00%	950
26	951	Direct PNM Util w Bulk Gen, wo Texas	39.18%	43.69%	9.74%	6.98%	0.41%	0.00%		100.00%	951
27	952	Direct PNM SNM - Transmission					100.00%			100.00%	952
28	953	Direct TNMP - Texas						100.00%		100.00%	953
29	954	Direct PNM SNM - Distribution				100.00%				100.00%	954
30										0.00%	956
31										0.00%	957
32	963	IT - Telecomm	37.45%	27.91%	4.70%	5.47%	0.11%	24.36%		100.00%	963
33	964	IT - Desktops	39.65%	25.88%	5.83%	5.48%	0.11%	23.05%		100.00%	964
34	968	IT - Infrastructure	38.32%	25.53%	5.48%	5.65%	0.12%	24.90%		100.00%	968
35	973	Building - Texas Lewisville	25.43%	20.24%	3.53%	3.90%	0.11%	46.79%		100.00%	973
36	974	Dallas Building - Las Colinas	38.32%	25.53%	5.48%	5.65%	0.12%	24.90%		100.00%	974
37	977	Abq Downtown Buildings -- Alvarado Square, Headquarters, Annex	40.30%	25.52%	6.06%	6.09%	0.35%	21.68%		100.00%	977
38	980	Abq Aztec Building	17.12%	73.95%	4.73%	2.98%	0.23%	0.99%		100.00%	980
39										0.00%	982
40										0.00%	983
41										0.00%	984
42										0.00%	985
43	992	General Allocator (BUDGET)	29.98%	33.80%	7.57%	5.31%	0.33%	23.01%		100.00%	992
44	993	Employee Headcount (PNMR)	39.86%	26.22%	3.64%	5.73%	0.07%	24.48%		100.00%	993
45	995	Employee Headcount	39.86%	26.22%	3.64%	5.73%	0.07%	24.48%		100.00%	995
46	999	Direct PNMR Holding Co.							100.00%	100.00%	999

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1	PNM Exhibit HEM-4																
2	WP SS-2: Linkage Data - Shared Services																
3	Hyperlink to Lead Sheet																
4																	
5		Shared Services		Add back Specifically Adjusted Shared Services							Linkage Data Allocation of Shared Services						
6	Location	Elements of Cost	Linkage Data April 2015-September 2015 Note - 1	WP-LA-5, Columns Y - Normalize Services	WP-LA-8, Column C- Linkage Data Overtime	WP SS-11 Linkage Data Incentive Comp, Column B	WP OM-15, Column F, Cyber Insurance Liability-Linkage Data	Linkage Data Shared Services Sum Column C through G	001 - Distribution Column H* 2015 rates	003 - Production Column H * 2015 rates	002 - Transmission Column H * 2015 rates	034 - PNM South Distribution Column H * 2015 rates	035 - PNM South Transmission Column H * 2015 rates		Total PNM adjusted Shared Services Allocation Sum Column I through M	Reference	
33	911	Total Location 911	1,419,323	2,265,703	16,361	-	0	3,701,387	1,199,620	847,248	238,369	220,233	18,507		2,523,976		
49	912	Total Location 912	1,744	177,894	3,310	-	0	182,948	54,646	36,516	18,002	9,843	1,025		120,032		
64	914	Total Location 914	2,628	161,101	0	-	0	163,729	64,755	14,637	14,294	29,766	5,845		129,296		
85	920	Total Location 920	-					-	-	-	-	-	-		-		
87	924	Total Location 924	275,110	675,723	312	-	0	951,145	855,175	-	-	95,971	-		951,145		
133	941	Total Location 941	3,205,956	4,986,118	13,451	-	68,996	8,274,520	2,325,140	3,014,408	609,005	431,930	23,996		6,404,479		
159	942	Total Location 942	1,207,354	761,429	3,091	188,847	0	2,155,722	2,155,722	-	-	-	-		2,155,722		
182	946	Total Location 946	460,827	666,332	538	191,170	0	1,318,867	-	1,318,867	-	-	-		1,318,867		
206	947	Total Location 947	703,422	131,716	1,422	35,823	0	872,382	-	-	872,382	-	-		872,382		
228	948	Total Location 948	79,217	421,553	0	-	0	500,771	337,770	-	95,898	63,047	4,056		500,771		
229	950	Total Location 950	-					-	-	-	-	-	-		-		
265	951	Total Location 951	951,951	1,119,170	2,501	-	0	2,073,622	756,457	973,151	195,543	141,006	7,465		2,073,622		
269	952	Total Location 952	17,558	-		-	0	17,558	-	-	-	-	17,558		17,558		
300	953	Total Location 953	1,831,099	665,174	214	130,393	0	2,626,880	-	-	-	-	-		-		
309	954	Total Location 954	61,651	-	0	28,767	0	90,419	-	-	-	90,419	-		90,419		
310	956	Total Location 956	-					-	-	-	-	-	-		-		
311	957	Total Location 957	-					-	-	-	-	-	-		-		
336	963	Total Location 963	478,985	211,489	0	-	0	690,473	252,506	201,204	30,657	38,528	552		523,448		
345	964	Total Location 964	(1,058)	-	0	-	0	(1,058)	(398)	(282)	(61)	(57)	(1)		(799)		
373	968	Total Location 968	5,464,557	2,412,823	98	-	0	7,877,479	2,918,606	2,082,018	404,902	471,861	7,877		5,885,264		
374	973	Total Location 973	-	-				-	-	-	-	-	-		-		
390	974	Total Location 974	107,136	-	0	-	0	107,136	39,694	28,316	5,507	6,417	107		80,042		
414	977	Total Location 977	687,128	337,845	6,971	-	0	1,031,945	405,038	281,205	59,130	63,361	2,683		811,416		
426	980	Total Location 980	243,482	6,492	2,544	-	0	252,519	42,549	187,041	12,020	7,954	505		250,070		
427	982	Total Location 982	-					-	-	-	-	-	-		-		
428	983	Total Location 983	-					-	-	-	-	-	-		-		
429	984	Total Location 984	-					-	-	-	-	-	-		-		
430	992	Total Location 992	-					-	-	-	-	-	-		-		
465	993	Total Location 993	6,621,261	1,789,373	2,842	-	0	8,413,476	3,230,775	2,380,172	289,424	480,409	-		6,380,780		
466	Grand Total		23,814,331.64	16,789,936	53,657	575,001	68,996	41,301,921	14,638,056	11,364,501	2,845,070	2,150,689	90,176		31,088,491		
467																	
468	Note 1: Amounts derived from WP SS-1 , Column AG Divided by 12 months, multiplied by the linkage period of 6 months.													11,364,501	Production	WP OM-11 Column AR	
469	General Note: The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.													2,935,246	Transmission	WP OM-11 Column AR	
470														16,788,744	Distribution	WP OM-11 Column AR	
471																	
472																	

	A	B	C	D
1	PNM Exhibit HEM-4			
2	WP SS-3: Summary of Shared Services Adjustments, Base Period			
3	Hyperlink to Lead Sheet			
4	**Note - Base period data is historical information from the Company's Books and Records.**			
5			**PNM Share**	**Reference**
6				
7	Unadjusted Base Period Allocations to PNM			
8		Production	33,108,633	WP OM-2, Column C
9		Transmission	8,465,436	WP OM-2, Column C
10		Distribution	46,539,615	WP OM-2, Column C
11		**Total**	**88,113,684**	
12				
13	Adjusted Base Period Allocations to PNM			
14		Production	22,491,005	WP OM-2, Column E
15		Transmission	5,815,833	WP OM-2, Column E
16		Distribution	33,235,210	WP OM-2, Column E
17		**Total**	**61,542,047**	
18				
19	Base Period Adjustments to SS - PNM Share			
20		Production	(10,617,628)	Line 14 - Line 8
21		Transmission	(2,649,603)	Line 15 - Line 9
22		Distribution	(13,304,405)	Line 16 - Line 10
23		**Total**	**(26,571,637)**	WP OM-3, Column D
24				
25	Depreciation			
26		Production	(3,055,974)	WP SS-4, Column J
27		Transmission	(814,578)	WP SS-4, Column J
28		Distribution	(6,207,719)	WP SS-4, Column J
29		**Total**	**(10,078,271)**	
30	Payroll Taxes			
31		Production	(892,078)	WP GT 4, Column E
32		Transmission	(131,509)	WP GT 4, Column E
33		Distribution	(1,434,594)	WP GT 4, Column E
34		**Total**	**(2,458,181)**	
35	Property Taxes			
36		Production	(285,352)	WP GT 2, Column L
37		Transmission	(60,862)	WP GT 2, Column L
38		Distribution	(334,910)	WP GT 2, Column L
39		**Total**	**(681,124)**	
40	Revenue Credits			
41		Production	38,322	
42		Transmission	8,424	
43		Distribution	63,832	
44		**Total**	**110,577**	WP RC 1, Column D

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	PNM Exhibit HEM-4												
2	WP SS-4: Depreciation expense allocation, Base Period												
3	Hyperlink to Lead Sheet												
4	Note - Base period data is historical information from the Company's Books and Records.												
5													
6	Location	Elements of Cost	Depreciation	001 - Distribution Column C* 2015 rates	003 - Production Column C * 2015 rates	002 - Transmission Column C * 2015 rates	034 - PNM South Distribution Column C * 2015 rates	035 - PNM South Transmission Column C * 2015 rates		Total PNM Adjusted Depreciation Sum Column D through H			
32	911	Total Location 911	(1,578,286)	(511,523)	(361,270)	(101,642)	(93,908)	(7,891)		(1,076,233)			
47	912	Total Location 912	(9,549)	(2,852)	(1,906)	(940)	(514)	(53)		(6,265)			
61	914	Total Location 914	(780,886)	(308,840)	(69,811)	(68,171)	(141,965)	(27,878)		(616,666)			
62	920	Total Location 920		-	-	-	-	-		-			
83	924	Total Location 924	(1,306,548)	(1,174,718)	-	-	(131,831)	-		(1,306,548)			
128	941	Total Location 941	(2,692,463)	(756,582)	(980,864)	(198,165)	(140,547)	(7,808)		(2,083,967)			
153	942	Total Location 942	-	-	-	-	-	-		-			
175	946	Total Location 946	-	-	-	-	-	-		-			
198	947	Total Location 947	-	-	-	-	-	-		-			
219	948	Total Location 948	(353,923)	(238,721)	-	(67,776)	(44,559)	(2,867)		(353,923)			
220	950	Total Location 950		-	-	-	-	-		-			
255	951	Total Location 951	(51,008)	(18,608)	(23,938)	(4,810)	(3,469)	(184)		(51,008)			
259	952	Total Location 952	-	-	-	-	-	-		-			
289	953	Total Location 953	(754,428)	-	-	-	-	-		-			
297	954	Total Location 954	-	-	-	-	-	-		-			
298	956	Total Location 956		-	-	-	-	-		-			
299	957	Total Location 957		-	-	-	-	-		-			
323	963	Total Location 963	-	-	-	-	-	-		-			
331	964	Total Location 964	(604,788)	(227,582)	(161,357)	(35,078)	(32,477)	(423)		(456,917)			
358	968	Total Location 968	(4,244,906)	(1,572,738)	(1,121,929)	(218,188)	(254,270)	(4,245)		(3,171,369)			
359	973	Total Location 973		-	-	-	-	-					
374	974	Total Location 974	(62,215)	(23,051)	(16,443)	(3,198)	(3,727)	(62)		(46,481)			
397	977	Total Location 977	(988,981)	(388,175)	(269,497)	(56,669)	(60,723)	(2,571)		(777,636)			
408	980	Total Location 980	-	-	-	-	-	-		-			
409	982	Total Location 982		-	-	-	-	-		-			
410	983	Total Location 983		-	-	-	-	-		-			
411	984	Total Location 984		-	-	-	-	-		-			
412	992	Total Location 992		-	-	-	-	-		-			
446	993	Total Location 993	(172,873)	(66,383)	(48,906)	(5,947)	(9,871)	-		(131,107)			
447	Grand Total		(13,600,855)	(5,289,772)	(3,055,922)	(760,583)	(917,860)	(53,983)		(10,078,120)			
448													
449	Note: The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.								Production	(3,055,922)			
450									Transmission	(814,566)			
451									Distribution	(6,207,632)			
452													
453									Production	(52)	WP SS-5, Line 449		
454									Transmission	(12)	WP SS-5, Line 450		
455									Distribution	(87)	WP SS-5, Line 451		
456													
457							Total Shared Services		Production	(3,055,974)	WP SS-3, Line 26		
458									Transmission	(814,578)	WP SS-3, Line 27		
459									Distribution	(6,207,719)	WP SS-3, Line 28		
460									Total	(10,078,271)			

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	PNM Exhibit HEM-4												
2	WP SS-5: Depreciation expense allocation, Base Period												
3	Hyperlink to Lead Sheet												
4	Note - Base Period data is historical information from the Company's Books and Records.												
5													
6	Location	Elements of Cost	Depreciation	001 - Distribution Column C* 2015 rates	003 - Production Column C * 2015 rates	002 - Transmission Column C * 2015 rates	034 - PNM South Distribution Column C * 2015 rates	035 - PNM South Transmission Column C * 2015 rates		Total PNM Adjusted Depreciation Sum Column D through H			
32	911	Total Location 911		-	-	-	-	-		-			
47	912	Total Location 912		-	-	-	-	-		-			
61	914	Total Location 914		-	-	-	-	-		-			
62	920	Total Location 920		-	-	-	-	-		-			
83	924	Total Location 924		-	-	-	-	-		-			
128	941	Total Location 941		-	-	-	-	-		-			
153	942	Total Location 942		-	-	-	-	-		-			
175	946	Total Location 946		-	-	-	-	-		-			
198	947	Total Location 947		-	-	-	-	-		-			
219	948	Total Location 948		-	-	-	-	-		-			
220	950	Total Location 950		-	-	-	-	-		-			
255	951	Total Location 951		-	-	-	-	-		-			
259	952	Total Location 952		-	-	-	-	-		-			
289	953	Total Location 953		-	-	-	-	-		-			
297	954	Total Location 954		-	-	-	-	-		-			
298	956	Total Location 956		-	-	-	-	-		-			
299	957	Total Location 957		-	-	-	-	-		-			
323	963	Total Location 963		-	-	-	-	-		-			
331	964	Total Location 964		-	-	-	-	-		-			
358	968	Total Location 968		-	-	-	-	-		-			
359	973	Total Location 973		-	-	-	-	-					
374	974	Total Location 974		-	-	-	-	-		-			
397	977	Total Location 977	(192)	(75)	(52)	(11)	(12)	(0)		(151)			
408	980	Total Location 980		-	-	-	-	-		-			
409	982	Total Location 982		-	-	-	-	-		-			
410	983	Total Location 983		-	-	-	-	-		-			
411	984	Total Location 984		-	-	-	-	-		-			
412	992	Total Location 992		-	-	-	-	-		-			
446	993	Total Location 993		-	-	-	-	-		-			
447	Grand Total		(192)	(75)	(52)	(11)	(12)	(0)		(151)			
448													
449	Note: The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the elements of								Production	(52)	WP SS-3,, line 451		
450	cost, and or columns for print formatting purposes.								Transmission	(12)	WP SS-3, line 452		
451									Distribution	(87)	WP SS-3, line 453		

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PNM Exhibit HEM-4														
2	WP SS-6: Revenue allocation, Base Period														
3	Hyperlink to Lead Sheet														
4	Note - Base period data is historical information from the Company's Books and Records.														
5															
6	Location	Elements of Cost	Reclass Revenue	001 - Distribution Column C* 2015 rates	003 - Production Column C * 2015 rates	002 - Transmission Column C * 2015 rates	034 - PNM South Distribution Column C * 2015 rates	035 - PNM South Transmission Column C * 2015 rates		Total PNM Adjusted Revenue Sum Column D through H					
32	911	Total Location 911	-	-	-	-	-	-		-					
47	912	Total Location 912	-	-	-	-	-	-		-					
61	914	Total Location 914	-	-	-	-	-	-		-					
62	920	Total Location 920		-	-	-	-	-		-					
83	924	Total Location 924	-	-	-	-	-	-		-					
128	941	Total Location 941	-	-	-	-	-	-		-					
153	942	Total Location 942	-	-	-	-	-	-		-					
175	946	Total Location 946	-	-	-	-	-	-		-					
198	947	Total Location 947	-	-	-	-	-	-		-					
219	948	Total Location 948	-	-	-	-	-	-		-					
220	950	Total Location 950		-	-	-	-	-		-					
255	951	Total Location 951	-	-	-	-	-	-		-					
259	952	Total Location 952	-	-	-	-	-	-		-					
289	953	Total Location 953	-	-	-	-	-	-		-					
297	954	Total Location 954	-	-	-	-	-	-		-					
298	956	Total Location 956		-	-	-	-	-		-					
299	957	Total Location 957		-	-	-	-	-		-					
323	963	Total Location 963	-	-	-	-	-	-		-					
331	964	Total Location 964	-	-	-	-	-	-		-					
358	968	Total Location 968	-	-	-	-	-	-		-					
359	973	Total Location 973		-	-	-	-	-							
374	974	Total Location 974	-	-	-	-	-	-		-					
397	977	Total Location 977	140,630	55,197	38,322	8,058	8,635	366		110,577					
408	980	Total Location 980	-	-	-	-	-	-		-					
409	982	Total Location 982		-	-	-	-	-		-					
410	983	Total Location 983		-	-	-	-	-		-					
411	984	Total Location 984		-	-	-	-	-		-					
412	992	Total Location 992		-	-	-	-	-		-					
446	993	Total Location 993	-	-	-	-	-	-		-					
447	Grand Total		140,630	55,197	38,322	8,058	8,635	366		110,577					
448															
449	General Note: The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the								Production	38,322	WP SS-3, line 41				
450	elements of cost, and or columns for print formatting purposes.								Transmission	8,424	WP SS-3, line 42				
451									Distribution	63,832	WP SS-3, line 43				

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	PNM Exhibit HEM-4												
2	WP SS-7: Payroll Taxes allocation, Base Period												
3	Hyperlink to Lead Sheet												
4	Note - Base period data is historical information from the Company's Books and Records.												
5													
6	Location	Elements of Cost	Reclass Payroll Tax	001 - Distribution Column C * 2015 rates	003 - Production Column C * 2015 rates	002 - Transmission Column C * 2015 rates	034 - PNM South Distribution Column C * 2015 rates	035 - PNM South Transmission Column C * 2015 rates		Total PNM Adjusted Payroll Tax Sum Column D through H			
32	911	Total Location 911	-	-	-	-	-	-		-			
47	912	Total Location 912	-	-	-	-	-	-		-			
61	914	Total Location 914	-	-	-	-	-	-		-			
62	920	Total Location 920		-	-	-	-	-		-			
83	924	Total Location 924	-	-	-	-	-	-		-			
128	941	Total Location 941	583,399	163,935	212,532	42,938	30,453	1,692		451,551			
153	942	Total Location 942	(135,342)	(135,342)	-	-	-	-		(135,342)			
175	946	Total Location 946	(146,207)	-	(146,207)	-	-	-		(146,207)			
198	947	Total Location 947	(38,216)	-	-	(38,216)	-	-		(38,216)			
219	948	Total Location 948	-	-	-	-	-	-		-			
220	950	Total Location 950		-	-	-	-	-		-			
255	951	Total Location 951	(22,044)	(8,042)	(10,345)	(2,079)	(1,499)	(79)		(22,044)			
259	952	Total Location 952	(20,483)	-	-	-	-	(20,483)		(20,483)			
289	953	Total Location 953	(130,584)	-	-	-	-	-		-			
297	954	Total Location 954	(5,880)	-	-	-	(5,880)	-		(5,880)			
298	956	Total Location 956		-	-	-	-	-		-			
299	957	Total Location 957		-	-	-	-	-		-			
323	963	Total Location 963	-	-	-	-	-	-		-			
331	964	Total Location 964	-	-	-	-	-	-		-			
358	968	Total Location 968	-	-	-	-	-	-		-			
359	973	Total Location 973		-	-	-	-	-		-			
374	974	Total Location 974	-	-	-	-	-	-		-			
397	977	Total Location 977	-	-	-	-	-	-		-			
408	980	Total Location 980	-	-	-	-	-	-		-			
409	982	Total Location 982		-	-	-	-	-		-			
410	983	Total Location 983		-	-	-	-	-		-			
411	984	Total Location 984		-	-	-	-	-		-			
412	992	Total Location 992		-	-	-	-	-		-			
446	993	Total Location 993	(3,351,213)	(1,286,866)	(948,058)	(115,282)	(191,354)	-		(2,541,560)			
447	Grand Total		(3,266,570)	(1,266,314)	(892,078)	(112,639)	(168,280)	(18,871)		(2,458,181)			
448													
449									Production	(892,078)	WP SS-3,, line 31		
450	General Note: The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the								Transmission	(131,509)	WP SS-3, line 32		
451	elements of cost, and or columns for print formatting purposes.								Distribution	(1,434,594)	WP SS-3, line 33		

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	PNM Exhibit HEM-4												
2	WP SS-8: Property tax expense allocation, Base Period												
3	Hyperlink to Lead Sheet												
4	Note - Base period data is historical information from the Company's Books and Records.												
5													
6	Location	Elements of Cost	Reclass Property Tax	001 - Distribution Column C* 2015 rates	003 - Production Column C * 2015 rates	002 - Transmission Column C * 2015 rates	034 - PNM South Distribution Column C * 2015 rates	035 - PNM South Transmission Column C * 2015 rates		Total PNM Adjusted Property Tax Sum Column D through H			
32	911	Total Location 911	-	-	-	-	-	-		-			
47	912	Total Location 912	-	-	-	-	-	-		-			
61	914	Total Location 914	-	-	-	-	-	-		-			
62	920	Total Location 920		-	-	-	-	-		-			
83	924	Total Location 924	-	-	-	-	-	-		-			
128	941	Total Location 941	(512,958)	(144,141)	(186,871)	(37,754)	(26,776)	(1,488)		(397,030)			
153	942	Total Location 942	-	-	-	-	-	-		-			
175	946	Total Location 946	-	-	-	-	-	-		-			
198	947	Total Location 947	-	-	-	-	-	-		-			
219	948	Total Location 948	-	-	-	-	-	-		-			
220	950	Total Location 950		-	-	-	-	-		-			
255	951	Total Location 951	-	-	-	-	-	-		-			
259	952	Total Location 952	-	-	-	-	-	-		-			
289	953	Total Location 953	-	-	-	-	-	-		-			
297	954	Total Location 954	-	-	-	-	-	-		-			
298	956	Total Location 956		-	-	-	-	-		-			
299	957	Total Location 957		-	-	-	-	-		-			
323	963	Total Location 963	-	-	-	-	-	-		-			
331	964	Total Location 964	-	-	-	-	-	-		-			
358	968	Total Location 968	-	-	-	-	-	-		-			
359	973	Total Location 973		-	-	-	-	-		-			
374	974	Total Location 974	(4,784)	(1,772)	(1,264)	(246)	(287)	(5)		(3,574)			
397	977	Total Location 977	(356,760)	(140,028)	(97,217)	(20,442)	(21,905)	(928)		(280,520)			
408	980	Total Location 980	-	-	-	-	-	-		-			
409	982	Total Location 982		-	-	-	-	-		-			
410	983	Total Location 983		-	-	-	-	-		-			
411	984	Total Location 984		-	-	-	-	-		-			
412	992	Total Location 992		-	-	-	-	-		-			
446	993	Total Location 993		-	-	-	-	-		-			
447	Grand Total		(874,502)	(285,942)	(285,352)	(58,442)	(48,968)	(2,420)		(681,124)			
448													
449									Production	(285,352)	WP SS-3, line 36		
450	General Note: The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the								Transmission	(60,862)	WP SS-3, line 37		
451	elements of cost, and or columns for print formatting purposes.								Distribution	(334,910)	WP SS-3, line 38		

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit HEM-4								
2	WP SS-9: Payroll Taxes allocation, Test Period								
3	Hyperlink to Lead Sheet								
4									
5									
6	Location	WP SS-11, PNM Exhibit HEM-4 WP LA-5, WP LA-8	001 - Distribution Column B* 2016 rates	003 - Production Column B * 2016 rates	002 - Transmission Column B * 2016 rates	034 - PNM South Distribution Column B * 2016 rates	035 - PNM South Transmission Column B * 2016 rates	Total PNM Adjusted Payroll Tax Sum Column C through G	References
7	911	406,274	133,745	87,024	27,911	22,508	3,047	274,235	
8	912	32,269	9,913	6,225	3,446	1,691	248	21,523	
9	914	28,676	11,459	2,561	2,498	5,090	998	22,605	
10	924	120,334	108,264	-	-	12,069	-	120,334	
11	941	889,970	266,813	300,810	67,371	47,257	2,937	685,188	
12	942	249,940	249,940	-	-	-	-	249,940	
13	946	233,948	-	233,948	-	-	-	233,948	
14	947	45,300	-	-	45,300	-	-	45,300	
15	948	75,035	51,219	-	14,242	8,892	683	75,035	
16	951	199,666	78,229	87,234	19,447	13,937	819	199,666	
17	952		-	-	-	-	-	-	
18	953	197,044	-	-	-	-	-	-	
19	954	17,342	-	-	-	17,342	-	17,342	
20	963	37,644	14,098	10,507	1,769	2,059	41	28,474	
21	964		-	-	-	-	-	-	
22	968	429,494	164,582	109,650	23,536	24,266	515	322,550	
23	974		-	-	-	-	-	-	
24	977	61,407	24,747	15,671	3,721	3,740	215	48,094	
25	980	1,620	277	1,198	77	48	4	1,604	
26	992		-	-	-	-	-	-	
27	993	319,022	127,162	83,648	11,612	18,280	223	240,926	
28	995		-	-	-	-	-	-	
29	999		-	-	-	-	-	-	
30	Grand Total	3,344,986	1,240,450	938,474	220,930	177,179	9,731	2,586,765	
31									
32							Production	938,474	WP GT - 4, Column H, Line 18
33							Transmission	230,661	WP GT - 4, Column H, Line 19
34							Distribution	1,417,629	WP GT - 4, Column H, Line 20
35								-	

	A	B	C	D	E	F	G
1	PNM Exhibit HEM-4						
2	WP SS-10 Remove EEI Lobbying Expenses						
3	Hyperlink to Lead Sheet						
4	Note - Base period data is historical information from the Company's Books and Records.						
5							
6	EEI Dues Actual	Location	Elements of Cost	Base Period Actual	% Lobbying-Note 1	$ Lobbying	References
7	Regular Activities of EEI	941	Dues Fees Fines	417,755	13%	54,308	
8	Industry Issues	941	Dues Fees Fines	41,775	25%	10,444	
9	Restoration, Operations, Etc	941	Dues Fees Fines	10,000	0	-	
10	Edison Foundation	941	Dues Fees Fines	15,000	0	-	
11	TOTAL			484,530		64,752	WP SS-1, Column I, Line 121
12							
13	Note 1: The portion of 2015 membership dues relating to influencing legislation, which is not deductible for federal income tax, is 13%. The portion of the 2015						
14	industry issues support relating to influencing legislation is 25%.						

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit HEM-4																	
2	WP SS-11: Incentive Compensation																	
3	Hyperlink to Lead Sheet																	
4	Note - Base period data is historical information from the Company's Books and Records.																	
5																		
6																		
7																		
8		Base Period						Adjustments to Base Period						Requested				
9	Plan Description	Officers	Non-Officers	Workforce	Union	Total		Officers	Non-Officers	Workforce	Union	Total		Officers	Non-Officers	Workforce	Union	Total
10	AIP/OIP	1,517,645	4,183,414	-	-	5,701,059		(1,517,645)	(4,183,414)	-	-	(5,701,059)		-	-	-	-	-
11	LTIP Plans	2,451,983	-	-	-	2,451,983		(2,451,983)	-	-	-	(2,451,983)		-	-	-	-	-
12	Group Incentive/Spot Bonus	-	-	1,200,278	357,815	1,558,093		-	-	(50,278)	(357,815)	(408,093)		-	-	1,150,000	-	1,150,000
13	Restricted Stock Awards and Other	603,011	3,098,132	-	-	3,701,143		(603,011)	(3,098,132)	-	-	(3,701,143)		-	-	-	-	-
14	Total	4,572,639	7,281,546	1,200,278	357,815	13,412,278		(4,572,639)	(7,281,546)	(50,278)	(357,815)	(12,262,278)		-	-	1,150,000	-	1,150,000
15																		
16																		
17	Total Base By Location	Elements of Cost	Total Base Period	Exclusions	Total Requested													
18	911	Incentive Compensation	443,042	(443,042)	-													
19	941	Incentive Compensation	402,992	(402,992)	-													
20	942	Incentive Compensation	3,446,747	(3,069,052)	377,695													
21	946	Incentive Compensation	3,887,877	(3,505,536)	382,341													
22	947	Incentive Compensation	968,734	(897,089)	71,645													
23	951	Incentive Compensation	314,917	(314,917)	-													
24	951	Overtime-General	(34,438)	34,438	(0)													
25	951	Misc pay Pension Eligible	77,337	(77,337)	(0)													
26	952	Incentive Compensation	309,792	(309,792)	0													
27	953	Incentive Compensation	3,255,062	(2,994,276)	260,786													
28	954	Incentive Compensation	340,218	(282,683)	57,535													
29			13,412,278	(12,262,278)	1,150,001													
30																		
31	Breakdown of Group Incentive / Spot Bonus in the Base Period:																	
32		912,778	Spot Bonus (April 2014 - December 2014)															
33		287,500	Group Incentive (January - March 2015)															
34		1,200,278	Total															
35																		
36		1,150,000	Annualize Group Incentive - 2015 (Column B, line 33 / 3 * 12)															
37		(50,278)	Adjustment to Base Period to Annualize Group Incentive (Column B, line 36 - line 34)															
38																		

Note: Please refer to the testimony of PNM Witness Vavruska-Marcum for discussion on incentive compensation, including the Wholesale Marketing Plan for which PNM is requesting recovery in this proceeding.

	A	B	C	D	E
1	PNM Exhibit HEM-4				
2	WP SS-11: Incentive Compensation				
3	Hyperlink to Lead Sheet				
4	Note - Base period data is historical information from the Company's Books and Records.				
39	Linkage/Test Period				
40	Total Company	Linkage Period		Test Period	
41		WorkForce	Total	Workforce	Total
42	AIP/OIP	-	-	-	
43	LTIP Plans	-	-	-	
44	Group Incentive	575,000	575,000	3,943,469	3,943,469
45	Restricted Stock Awards	-	-	-	
46	Total	575,000	575,000	3,943,469	3,943,469
47					
48	Breakdown of Group Incentive in the Linkage Period:				
49		575,000	Annualized Group Incentive-2015 (April 2015-September 2015 (Column B, Line 36/12 *6))		
50		575,000	Total		
51	Breakdown of Group Incentive in the Test Period:				
52		287,500	Annualize Group Incentive through 2015 (October 2015 through December 2015) (Column B, line 36 /3 * 3)		
53		3,655,969	Group Incentive (January 2016-September 2016) (Column E, Line 92 * 9)		
54		3,943,469	Total (Column B, line 52 + line 53)		
55					
56		Total Linkage Period			Total Test Period
57	Total Base By Location Linkage			Total Test By Location Test	
58	911			911	
59	941			941	
60	942	188,847		942	1,295,153
61	946	191,170		946	1,311,085
62	947	35,823		947	245,678
63	951	-		951	-
64	952	(0)		952	-
65	953	130,393		953	894,261
66	954	28,767		954	197,292
67	Total	575,000		Total	3,943,469
68					
69					
70	Grade	Number of Employees	Total Salaries 2016	Market Median	Total 2016 Incentive Compensation
71	G14	34	795,418	4.00%	31,817
72	G13	23	773,524	4.00%	30,941
73	G12	49	2,075,552	4.00%	83,022
74	G11	27	1,156,272	5.00%	57,814
75	G10	60	2,985,311	5.00%	149,266
76	G09	43	2,504,641	6.00%	150,278
77	G08	112	7,167,230	6.00%	430,034
78	G07	112	8,316,363	8.00%	665,309
79	G06	186	15,930,538	8.00%	1,274,443
80	G05	216	22,241,128	9.00%	2,001,702
81					
82				Total	4,874,625
83					
84					
86	Allocation Base Period/ Test Period		Annual:	4,874,625	Per Month
87	942	377,694	32.84%	1,600,973	133,414
88	946	382,341	33.25%	1,620,666	135,056
89	947	71,645	6.23%	303,689	25,307
90	953	260,786	22.68%	1,105,419	92,118
91	954	57,534	5.00%	243,877	20,323
92		1,150,000	100.00%	4,874,625	406,219
93					

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55													
56							Payroll Taxes for Incentive Compensation						
57			Linkage Period				Test Period						
58			FICA/FUTA/SUTA				FICA/FUTA/SUTA						
59		942	16,600				113,844						
60		946	16,804				115,244						
61		947	3,149				21,595						
62		953	11,462				78,605						
63		954	2,529				17,342						
64			50,543				346,631						
65					Total Linkage		Total Test Period						
66				942	16,600	WP SS - 12, Column B	113,844	WP SS - 9, Column B					
67				946	16,804	WP SS - 12, Column B	115,244	WP SS - 9, Column B					
68				947	3,149	WP SS - 12, Column B	21,595	WP SS - 9, Column B					
69				953	11,462	WP SS - 12, Column B	78,605	WP SS - 9, Column B					
70				954	2,529	WP SS - 12, Column B	17,342	WP SS - 9, Column B					
71					50,543		346,631						
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	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit HEM-4																	
2	WP SS-11: Incentive Compensation																	
3	Hyperlink to Lead Sheet																	
4	Note - Base period data is historical information from the Company's Books and Records.																	
94																		
95																		
96	Wholesale Power Marketing Bonus																	
97																		
98	Total Base By FERC/Elements of Cost	FERC	LOC	CT	HC	Base Period		Adjusted Base Period										
99		912	057	140	3073	506,561		506,561										
100																		
101																		
102		395,062	WPM Bonus (April 2014 - December 2014)															
103		211,914	WPM Bonus (January - March 2015)															
104		(100,416)	WPM Bonus True Up															
105		506,561	Total	WP OM-4, Column N														
106										Payroll Taxes								
107	Total Linkage By FERC/Elements of Cost	FERC	LOC	CT	HC	Linkage Period		Adjusted Linkage Period		FICA/FUTA/SUTA								
108		912	057	140	3073	380,556		380,556		26,639	GT 4, Column B, Line 18							
109																		
110																		
111																		
112																		
113																		
114										Payroll Taxes								
115	Total Test By FERC/Elements of Cost	FERC	LOC	CT	HC	Test Period		Adjusted Test Period		FICA/FUTA/SUTA								
116		912	057	140	3073	767,571		767,571		53,730	GT 4, Column F, Line 18							
117																		
118		190,278	Annualize WPM Bonus - 2015 (October 2015-December 2015) (Column H, line 108 / 6 * 3)															
119		577,293	WPM Bonus (January 2016 - September 2016)															
120		767,571	Total	WP OM-4, Column AO														
121																		
122		Test Period WPM Bonus calculated using the 2015 estimate for the period of 10/1/15 - 12/31/15.																
123		WPM Bonus for the period of 1/1/16 - 9/30/16 was calculated using 9/31/15 salaries and headcount,																
124		escalated 2.5%, and multiplied by the 2016 plan cap rates. Please see the testimony of PNM Witness Vavruska-Marcum.																

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit HEM-4								
2	WP SS-12: Payroll Taxes allocation, Linkage Period								
3	Hyperlink to Lead Sheet								
4									
5									
6	Location	WP SS-11, PNM Exhibit HEM-4 WP LA-5, WP LA-8	001 - Distribution Column B* 2015 rates	003 - Production Column B * 2015 rates	002 - Transmission Column B * 2015 rates	034 - PNM South Distribution Column B * 2015 rates	035 - PNM South Transmission Column B * 2015 rates	Total PNM Adjusted Payroll Tax Sum Column C through G	References
7	911	200,593	65,012	45,916	12,918	11,935	1,003	136,785	
8	912	15,928	4,758	3,179	1,567	857	89	10,450	
9	914	14,161	5,601	1,266	1,236	2,574	506	11,183	
10	924	59,424	53,428	-	-	5,996	-	59,424	
11	941	439,462	123,489	160,096	32,344	22,940	1,274	340,144	
12	942	83,801	83,801	-	-	-	-	83,801	
13	946	75,422	-	75,422	-	-	-	75,422	
14	947	14,852	-	-	14,852	-	-	14,852	
15	948	37,055	24,993	-	7,096	4,665	300	37,055	
16	951	98,595	35,967	46,271	9,298	6,704	355	98,595	
17	952		-	-	-	-	-	-	
18	953	69,949	-	-	-	-	-	-	
19	954	2,529	-	-	-	2,529	-	2,529	
20	963	18,590	6,798	5,417	825	1,037	15	14,093	
21	964	-	-	-	-	-	-	-	
22	968	212,096	78,581	56,057	10,902	12,705	212	158,457	
23	974	-	-	-	-	-	-	-	
24	977	30,309	11,896	8,259	1,737	1,861	79	23,832	
25	980	794	134	588	38	25	2	787	
26	992		-	-	-	-	-	-	
27	993	157,536	60,494	44,567	5,419	8,995	-	119,475	
28	995	-	-	-	-	-	-	-	
29	999	-	-	-	-	-	-	-	
30	Grand Total	1,531,094	554,953	447,038	98,232	82,824	3,835	1,186,881	
31									
32							Production	447,038	WP GT 4, Column D
33							Transmission	102,067	WP GT 4, Column D
34							Distribution	637,776	WP GT 4, Column D
35								-	

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP GT

Is contained in the following 9 pages.

	A	B	C	D	E
1	PNM Exhibit HEM - 4				
2	WP GT - Lead Sheet				
3				*Provides Information To*	*Requires Information From*
4	*Tab Reference*	*Description*	*Purpose*	*Tab name*	*Tab name*
5	WP GT-1	Summary of General Taxes in Cost of Service Format	Provides a consolidated input sheet formatted to Cost of Service line items. Provides an easy link to PNM Exhibit HEM-3.	HEM-3 Base Period COS.xlsx: Base Period COS, HEM-3 Test Period COS.xlsx: Test Period COS	WP GT-2, WP GT-4, WP GT-5
6	WP GT-2	WP GT 2 - Property Taxes Allocation and Test Period Calculation	Provides an allocation of Base Period Books and Records Property taxes allocated to Cost of Service Line items, as well as the calculation of Test Period property taxes.	WP GT-1	WP GT-2, WP Plant Net Plant Workbook.xlsx; WP Plant -1, WP SS-Shared Services.xlsx; WP SS -3, ***Manual Inputs***
7	WP GT-3	Property Tax Rates	Calculates the weighted property tax rates for cost of service plant line items, base on historic rates.	WP GT-2	WP Plant Net Plant Workbook.xlsx: WP Plant 1, ***Manual Inputs***
8	WP GT-4	Payroll Taxes	Provides Payroll taxes functionalized to production, distribution, and transmission for Base period and Test Period.	WP GT-1	WP LA - Labor Workpaper.xlsx; WP LA - 6, WP LA - Labor Workpaper.xlsx; WP LA - 7, WP LA - Labor Workpaper.xlsx; WP LA - 9, WP LA - Labor Workpaper.xlsx; WP LA - 10, WP SS-Shared Services.xlsx; WP SS -7, WP SS-Shared Services.xlsx; WP SS -9, WP SS-Shared Services.xlsx; WP SS -12, ***Manual Inputs***
9	WP GT-5	Other Misc Taxes	Provides the support for Base Period Misc Taxes and calculation of Test Period misc property taxes.	WP GT-1	***Manual Inputs***
10					
11					
12					
13	Note: File name is provided, if worksheet is linked to external workbook.				

	A	B	C	D	E	F	G	H	I	J	K	L
1	PNM Exhibit HEM-4											
2	WP GT 1 - Summary General Taxes											
3	Hyperlink back to Lead Sheet											
4												
5		General Taxes			Base Period	Base Period Adjustments	Adj Base Period	Linkage Data	WP GT-2, Column D Test Period	Test Period to Base Period Variance	Test Period to Base Period Variance %	Explanation
6		Property Taxes										
7				Production Property Taxes								
8				Steam Production Plant	5,495,458	-	5,495,458	2,910,747	6,167,131	671,673	12.2%	Note 1
9				Nuclear Production Plant - Palo Verde 1 & 2	1,077,869	-	1,077,869	538,934	1,170,345	92,476	8.6%	Note 1
10				Nuclear Production Plant - Palo Verde 3	1,055,649	-	1,055,649	808,167	1,687,850	632,201	59.9%	Note 1
11				Other Production Plant - Gas & 40 MW Solar	2,859,545	-	2,859,545	1,514,599	4,151,520	1,291,975	45.2%	Note 1
12				Other Production Plant - Renewable	1,760,299	-	1,760,299	932,367	1,822,668	62,370	3.5%	Note 1
13				Total Production Property Taxes	12,248,819	-	12,248,819	6,704,815	14,999,514	2,750,695	22.5%	
14												
15				Transmission Property Taxes								
16				Step-Up Transformers - Excluding PV3	59,022	-	59,022	31,262	61,860	2,838	4.8%	Note 1
17				Step-Up Transformers - PV3	1,888	-	1,888	1,446	2,790	902	47.8%	Note 1
18				Transmission System Plant - Allocated	3,762,575	-	3,762,575	1,992,901	4,314,315	551,741	14.7%	Note 1
19				Transmission System Plant - PV 3	39,030	-	39,030	29,880	60,495	21,465	55.0%	Note 1
20				Transmission System Plant - High Lonesome Mesa	242,565	-	242,565	128,478	238,337	(4,228)	(1.7%)	Note 1
21				Transmission System Plant - Dedicated Retail	42,212	-	42,212	22,358	42,500	287	0.7%	Note 1
22				Transmission System Plant - Dedicated FERC	1,803	-	1,803	955	1,744	(59)	(3.3%)	Note 1
23				Total Transmission Property Taxes	4,149,095	-	4,149,095	2,207,280	4,722,042	572,946	13.8%	
24												
25				Distribution Property Taxes								
26				Distribution Substations Net Plant - Dedicated FERC	14,838	-	14,838	7,859	15,271	433	2.9%	Note 1
27				Distribution Substations Net Plant - PNM	1,367,480	-	1,367,480	724,305	1,507,605	140,125	10.2%	Note 1
28				Distribution Substations Net Plant - Renewables	20,379	-	20,379	10,794	19,185	(1,195)	(5.9%)	Note 1
29				Primary Distribution System Net Plant - PNM	3,250,225	-	3,250,225	1,721,528	3,592,697	342,472	10.5%	Note 1
30				Primary Distribution System Net Plant - Renewables	20,678	-	20,678	10,952	26,139	5,461	26.4%	Note 1
31				Secondary Distribution System Net Plant - PNM	1,962,357	-	1,962,357	1,039,390	2,133,304	170,947	8.7%	Note 1
32				Secondary Distribution System Net Plant - Renewables	6,466	-	6,466	3,425	8,322	1,856	28.7%	Note 1
33				Services Net Plant - PNM	538,363	-	538,363	285,151	574,022	35,660	6.6%	Note 1
34				Meters Net Plant - PNM	382,471	-	382,471	202,581	420,438	37,967	9.9%	Note 1
35				Private Lighting - 371	4,866	-	4,866	2,577	2,766	(2,099)	(43.1%)	Note 1
36				Street Lighting - 373	118,190	-	118,190	62,601	126,279	8,089	6.8%	Note 1
37				Total Distribution Property Taxes	7,686,312	-	7,686,312	4,071,165	8,426,029	739,716	9.6%	
38												
39				General Property Taxes								
40				Production General & Intangible Net Plant	50,702	-	50,702	26,855	52,460	1,759	3.5%	Note 1
41				PV Unit 3 General & Intangible Net Plant	9,204	-	9,204	7,046	16,183	6,979	75.8%	Note 1
42				Renewables General & Intangible Net Plant	214	-	214	113	214	(0)	(0.2%)	Note 1
43				Bulk Power Operations	21,434	-	21,434	11,353	31,405	9,971	46.5%	Note 1
44				Energy Management System Facilities	51,284	-	51,284	27,163	51,524	240	0.5%	Note 1
45				Other Division Offices/Customer Service	299,762	-	299,762	158,773	340,103	40,342	13.5%	Note 1
46				Communications - Transmission	270,610	-	270,610	143,332	269,970	(640)	(0.2%)	Note 1
47				Production Related (Shared Services)	-	285,352	285,352	142,676	289,291	3,939	1.4%	Note 1
48				Transmission Related (Shared Services)	-	60,862	60,862	30,431	66,920	6,058	10.0%	Note 1
49				Distribution/Customer Related (Shared Services)	-	334,910	334,910	167,455	477,537	142,627	42.6%	Note 1
50				Total General Property Taxes	703,209	681,124	1,384,334	715,198	1,595,606	211,272	15.3%	
51												
52												
53				Total Property Taxes	24,787,436	681,124	25,468,561	13,698,457	29,743,190	4,274,630		

	A	B	C	D	E	F	G	H	I	J	K	L
1	PNM Exhibit HEM-4											
2	WP GT 1 - Summary General Taxes											
3	Hyperlink back to Lead Sheet											
4												
5		General Taxes			Base Period	Base Period Adjustments	Adj Base Period	Linkage Data	WP GT-2, Column D Test Period	Test Period to Base Period Variance	Test Period to Base Period Variance %	Explanation
54												
55		Payroll Taxes										
56				Production Related	1,512,846	1,610,833	3,123,679	1,657,780	3,407,882	284,204	9.1%	Note 2
57				Transmission Related	100,685	537,601	638,286	378,142	790,315	152,029	23.8%	Note 2
58				Distribution Related	2,461,830	(125,824)	2,336,006	1,153,792	2,463,656	127,650	5.5%	Note 2
59				Total Payroll Taxes	4,075,361	2,022,610	6,097,971	3,189,714	6,661,854	563,883	9.2%	
60												
61		Other Taxes										
62				Misc Taxes - Production Related	4,612	(800)	3,812	1,906	3,869	57	1.5%	1.5% Escalation
63				Misc Taxes - Renewable	163,082	-	163,082	81,541	165,528	2,446	1.5%	1.5% Escalation
64				Misc Taxes - Transmission Related	856	-	856	428	868	13	1.5%	1.5% Escalation
65				Misc Taxes - Distribution Related	(18,496)	32,315	13,819	6,910	14,026	207	1.5%	1.5% Escalation
66				Regulatory Commission Fees (I&S) PNM	5,015,580	(5,015,580)	-	-	-	-	0.0%	1.5% Escalation
67				Joint Projects Four Corners	352,988	-	352,988	176,494	358,282	5,295	1.5%	1.5% Escalation
68				Joint Projects PVNGS	1,802,683	-	1,802,683	901,342	1,829,723	27,040	1.5%	1.5% Escalation
69				Joint Projects Transmission	760	-	760	380	772	11	1.5%	1.5% Escalation
70				Native American Taxes - Production	1,565,957	-	1,565,957	782,978	1,589,446	23,489	1.5%	1.5% Escalation
71				Native American Taxes - Transmission	891,741	-	891,741	445,870	905,117	13,376	1.5%	1.5% Escalation
72				Native American Taxes - Distribution	52,703	-	52,703	26,351	53,493	791	1.5%	1.5% Escalation
73				Total Other Taxes	9,832,465	(4,984,065)	4,848,399	2,424,200	4,921,125	72,726	1.5%	
74												
75				Total General Taxes	38,695,262	(2,280,331)	36,414,931	19,312,372	41,326,170	4,911,239	13.5%	
76												
77												
78		Notes:										
79		Note 1: Changes in Property tax are a result of projected taxable valuation growth and projected escalations in property tax rates. See WP Plant workpapers for projected changes to net plant values. See WP GT - 3 for escalations to property tax rates.										
80		Note 2: Changes in Payroll taxes are a result of projected labor escalations and changes to headcounts. Please see WP LA - Labor Workpapers for detailed calculations and assumptions for Test Period Payroll taxes.										
81												
82												
83												
84												
85												

PNM Exhibit HEM-4

WP GT 2 - Property Taxes Allocation and Test Period Calculation

Hyperlink back to Lead Sheet

Base Period Source: Base Period Data is historical information from the Company's Books and Records.

Note 1: PNM does not track property taxes at a level compatable with cost of service presentation. PNM has allocated Base Period property taxes to cost of service presentation based on the 2014 Year-end Net Plant values and weighted tax rates from WP GT-3 to create an allocation of the actual property taxes paid to the cost of service line items.

Note 2: New Mexico property values are estimated by applying a ratio of 33 and 1/3 percent per Section 7-37-3 NMSA 1978 to the Net book value of the property.

Note 3: Palo Verde 1 & 2 tax rate is based on the effective tax rate of the base period net book value and base period property tax expense due to lower property valuations.

Note 4: Shared Services assets are derived by using the December 31, 2015 Corporate Net Book Value from WP Plant - Corporate Net Plant Workbook.xlsx and applying the test period corporate allocators to obtain PNM's allocated Share.

	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	WP GT-3, Column C Or WP NP-1, Column O	Note 2	WP GT-3 Note 3					WP SS-2		WP GT-3, Column H Or WP NP-1, Column AK Note 4	Note 2	WP GT-3		
	December 2014 Net Plant	Estimated Taxable Value	Weighted Statutory Tax Rate	Estimated 2015 Statutory Property Tax	Percentage of Estimated Statutory PV3 AZ Prop Tax	Percentage of Estimated Statutory NM Prop Tax	Unadjusted Allocated Base Period Property Taxes	Shared Service Property Tax Allocation	Adjusted Base Period Property taxes	December 2015 Net Plant	Estimated Taxable Value	Weighted Statutory Tax Rate	Estimated 2016 Property Tax	Estimated Test Period Property Taxes
Net Plant														
Net Plant Production Plant														
Steam Production Net Plant	678,838,235	226,279,412	2.57%	5,821,495		24.3%	5,495,458		5,495,458	730,679,533	243,559,844	2.58%	6,282,343	6,167,131
Nuclear Production Net Plant - Palo Verde 1 & 2	177,163,898	177,163,898	0.61%	1,077,869			1,077,869		1,077,869	197,430,330	197,430,330	0.61%	1,201,170	1,170,345
Nuclear Production Net Plant - Palo Verde 3	128,414,726	128,414,726	1.26%	1,616,334	95.5%		1,055,649		1,055,649	135,990,444	135,990,444	1.26%	1,711,688	1,687,850
Total Nuclear Production Net Plant	305,578,623	305,578,623		2,694,203	95.5%	0.0%	2,133,518	-	2,133,518	333,420,773	333,420,773		2,912,859	2,858,195
Other Production Plant - Gas & 40 MW Solar	294,962,284	98,320,761	3.08%	3,029,197		12.7%	2,859,545		2,859,545	426,127,523	142,042,508	3.19%	4,525,628	4,151,520
Other Production Plant - Renewable	169,997,465	56,665,822	3.29%	1,864,734		7.8%	1,760,299		1,760,299	164,032,101	54,677,367	3.31%	1,808,647	1,822,668
Total Other Production Net Plant	464,959,749	154,986,583		4,893,931	0.0%	20.4%	4,619,843	-	4,619,843	590,159,624	196,719,875		6,334,274	5,974,188
Total Net Plant Production Plant	1,449,376,607	686,844,618		13,409,629	95.5%	44.8%	12,248,819	-	12,248,819	1,654,259,931	773,700,493		15,529,476	14,999,514
Net Plant Transmission Plant														
Step-Up Transformers - Excluding PV3	8,150,405	2,716,802	2.30%	62,524		0.3%	59,022		59,022	7,808,643	2,602,881	2.37%	61,639	61,860
Step-Up Transformers - PV3	229,697	229,697	1.26%	2,891	0.2%	0.0%	1,888		1,888	218,995	218,995	1.26%	2,756	2,790
Total Transmission Station Equipment - Step-up Xfmr and Aux	8,380,102	2,946,499		65,415	0.2%	0.3%	60,910	-	60,910	8,027,638	2,821,876		64,395	64,650
Transmission System Net Plant - Allocated	363,363,457	121,121,152	3.29%	3,985,802		16.6%	3,762,575		3,762,575	403,295,061	134,431,687	3.29%	4,423,820	4,314,315
Transmission System Net Plant - PV 3	4,747,861	4,747,861	1.26%	59,761	3.5%		39,030		39,030	4,825,698	4,825,698	1.26%	60,740	60,495
Transmission System Net Plant - High Lonesome Mesa	23,425,213	7,808,404	3.29%	256,955		1.1%	242,565		242,565	21,162,077	7,054,026	3.29%	232,131	238,337
Transmission System Net Plant - Dedicated Retail	4,076,588	1,358,863	3.29%	44,717		0.2%	42,212		42,212	3,807,084	1,269,028	3.29%	41,761	42,500
Transmission System Net Plant - Dedicated FERC	174,124	58,041	3.29%	1,910		0.0%	1,803		1,803	153,951	51,317	3.29%	1,689	1,744
Total Transmission System Net Plant	395,787,243	135,094,322		4,349,145	3.5%	17.9%	4,088,185	-	4,088,185	433,243,872	147,631,756		4,760,140	4,657,391
Total Net Plant Transmission Plant	404,167,345	138,040,820		4,414,560	3.7%	18.2%	4,149,095	-	4,149,095	441,271,510	150,453,632		4,824,535	4,722,042
	-													

PNM Exhibit HEM-4

WP GT 2 - Property Taxes Allocation and Test Period Calculation

Hyperlink back to Lead Sheet

Base Period Source: Base Period Data is historical information from the Company's Books and Records.

Note 1: PNM does not track property taxes at a level compatable with cost of service presentation. PNM has allocated Base Period property taxes to cost of service presentation based on the 2014 Year-end Net Plant values and weighted tax rates from WP GT-3 to create an allocation of the actual property taxes paid to the cost of service line items.

Note 2: New Mexico property values are estimated by applying a ratio of 33 and 1/3 percent per Section 7-37-3 NMSA 1978 to the Net book value of the property.

Note 3: Palo Verde 1 & 2 tax rate is based on the effective tax rate of the base period net book value and base period property tax expense due to lower property valuations.

Note 4: Shared Services assets are derived by using the December 31, 2015 Corporate Net Book Value from WP Plant - Corporate Net Plant Workbook.xlsx and applying the test period corporate allocators to obtain PNM's allocated Share.

		E	F	G	H	I	J	K	L	M	N	O	P	Q	R
12		WP GT-3, Column C Or WP NP-1, Column O	Note 2	WP GT-3 Note 3					WP SS-2		WP GT-3, Column H Or WP NP-1, Column AK Note 4	Note 2	WP GT-3		
13		December 2014	Estimated Taxable	Weighted Statutory	Estimated 2015 Statutory	Percentage of Estimated Statutory	Percentage of Estimated Statutory	Unadjusted Allocated Base Period	Shared Service Property Tax	Adjusted Base Period	December 2015	Estimated Taxable	Weighted Statutory	Estimated 2016	Estimated Test Period
14		Net Plant	Value	Tax Rate	Property Tax	PV3 AZ Prop Tax	NM Prop Tax	Property Taxes	Allocation	Property taxes	Net Plant	Value	Tax Rate	Property Tax	Property Taxes
15	Net Plant														
47	Net Plant Distribution Plant														
48															
49	Distribution Substations Net Plant - Dedicated FERC	1,432,961	477,654	3.29%	15,718		0.1%	14,838		14,838	1,371,415	457,138	3.31%	15,121	15,271
50	Distribution Substations Net Plant - PNM	132,061,782	44,020,594	3.29%	1,448,611		6.0%	1,367,480		1,367,480	138,513,109	46,171,036	3.31%	1,527,270	1,507,605
51	Distribution Substations Net Plant - Renewables	1,968,097	656,032	3.29%	21,588		0.1%	20,379		20,379	1,667,259	555,753	3.31%	18,383	19,185
52	Total Distribution Substations Net Plant	135,462,840	45,154,280		1,485,917	0.0%	6.2%	1,402,698	-	1,402,698	141,551,783	47,183,928		1,560,775	1,542,060
53															
54	Primary Distribution System Net Plant - PNM	313,884,241	104,628,080	3.29%	3,443,056		14.4%	3,250,225		3,250,225	330,357,334	110,119,111	3.31%	3,642,578	3,592,697
55	Primary Distribution System Net Plant - Renewables	1,996,896	665,632	3.29%	21,904		0.1%	20,678		20,678	2,498,651	832,884	3.31%	27,551	26,139
56	Total Primary Distribution Net Plant	315,881,137	105,293,712		3,464,960	0.0%	14.5%	3,270,902	-	3,270,902	332,855,985	110,951,995		3,670,128	3,618,836
57															
58	Secondary Distribution System Net Plant - PNM	189,510,862	63,170,287	3.29%	2,078,780		8.7%	1,962,357		1,962,357	195,124,664	65,041,555	3.31%	2,151,479	2,133,304
59	Secondary Distribution System Net Plant - Renewables	624,476	208,159	3.29%	6,850		0.0%	6,466		6,466	799,288	266,429	3.31%	8,813	8,322
60	Total Secondary Distribution Net Plant	190,135,338	63,378,446		2,085,630	0.0%	8.7%	1,968,823	-	1,968,823	195,923,952	65,307,984		2,160,292	2,141,626
61															
62	Services Net Plant - PNM	51,991,337	17,330,446	3.29%	570,303		2.4%	538,363		538,363	52,172,422	17,390,807	3.31%	575,262	574,022
63															
64	Meters Net Plant - PNM	36,936,383	12,312,128	3.29%	405,162		1.7%	382,471		382,471	38,592,717	12,864,239	3.31%	425,530	420,438
65															
66	Private Lighting - 371	469,882	156,627	3.29%	5,154		0.0%	4,866		4,866	178,686	59,562	3.31%	1,970	2,766
67	Street Lighting - 373	11,413,984	3,804,661	3.29%	125,202		0.5%	118,190		118,190	11,485,240	3,828,413	3.31%	126,638	126,279
68	Total Lighting Net Plant	11,883,866	3,961,289		130,356	0.0%	0.5%	123,056	-	123,056	11,663,926	3,887,975		128,608	129,045
69															
70	Total Net Plant Distribution Plant	742,290,901	247,430,300		8,142,329	0.0%	34.0%	7,686,312	-	7,686,312	772,760,784	257,586,928		8,520,595	8,426,029
71		-									-				
72	Net Plant General & Intangible Plant (303,389-399)														
73															
74	Production General & Intangible Net Plant	4,896,406	1,632,135	3.29%	53,710		0.2%	50,702		50,702	4,720,038	1,573,346	3.31%	52,044	52,460
75	PV Unit 3 General & Intangible Net Plant	1,119,608	1,119,608	1.26%	14,092	0.8%		9,204		9,204	1,341,044	1,341,044	1.26%	16,879	16,183
76	Renewables General & Intangible Net Plant	20,683	6,894	3.29%	227		0.0%	214		214	18,998	6,333	3.31%	209	214
77	Bulk Power Operations	2,069,989	689,996	3.29%	22,706		0.1%	21,434		21,434	3,111,198	1,037,066	3.31%	34,305	31,405
78	Energy Management System Facilities	4,952,610	1,650,870	3.29%	54,326		0.2%	51,284		51,284	4,588,157	1,529,386	3.31%	50,590	51,524
79	Other Division Offices/Customer Service	28,948,928	9,649,643	3.29%	317,546		1.3%	299,762		299,762	31,527,027	10,509,009	3.31%	347,622	340,103
80	Communications - Transmission	26,133,647	8,711,216	3.29%	286,665		1.2%	270,610		270,610	23,979,732	7,993,244	3.31%	264,405	269,970
81	Production Related (non-specific)		-		-				285,352	285,352	26,555,817	8,785,272	3.31%	290,604	289,291
82	Transmission Related (non-specific)		-		-				60,862	60,862	6,252,290	2,084,097	3.31%	68,939	66,920
83	Distribution/Customer Related (non-specific)		-		-				334,910	334,910	47,621,130	15,873,710	3.31%	525,079	477,537
84	Total Net Plant General & Intangible Plant - PNM	68,141,872	23,460,363		749,272	0.8%	3.1%	703,209	681,124	1,384,334	149,515,431	50,732,506		1,650,676	1,595,606
85															
86															
87	Total New Mexico Property Taxes	2,352,300,935	784,100,312		23,944,843			22,603,796	681,124	23,284,920	2,678,001,146	892,667,049		27,532,047	26,805,527
88	Total Arizona Property Taxes	311,675,790	311,675,790		2,770,947			2,183,641	-	2,183,641	339,806,510	339,806,510		2,993,235	2,937,663
89	Total	2,663,976,725	1,095,776,101		26,715,791	100.0%	100.0%	24,787,436	681,124	25,468,561	3,017,807,656	1,232,473,559		30,525,282	29,743,190
90															
91	PV3				1,693,078										
92							Source: Company's Books and Records								
93							New Mexico Taxes:	22,603,796							
94							Arizona Taxes:								
95							Palo Verde Unit 1:	998,306							
96							Palo Verde Unit 2:	997,684							
97							Palo Verde Unit 3:	964,832							
98							Palo Verde Common:	422,820							
99															
100							Palo Verde 1&2	1,077,869							
101							Palo Verde 3:	1,105,772							
102							Total Arizona Taxes:	2,183,641							
103							Total Property Taxes	24,787,436							

	A	B	C	D	E	F	G	H	I	J	K	L
1	PNM Exhibit HEM-4											
2	WP GT -3 - Property Tax Rates											
3	Hyperlink back to Lead Sheet											
4												
5		**Location**	**County**	**Category**	**2014 Actual Rate**	**Source of Actual Rates - Note 1**						
6		San Juan	San Juan	22 NR	2.43%	Certificates of Property Taxes By NM County						
7		Four Corners	San Juan	22 NR	2.43%	Certificates of Property Taxes By NM County						
8		Reeves	Bernalillo	12 IN NR AMAFCA	4.73%	Bernalillo County Assessor website						
9		Afton	Dona Ana	17 Out NR	3.32%	Dona Ana County Assessor website						
10		Luna	Luna	1 IN NR	2.54%	Certificates of Property Taxes By NM County						
11		Lordsburg	Hidalgo	1 IN NR	2.56%	Certificates of Property Taxes By NM County						
12		Algodones	Sandoval	1 OUT MRGCD	3.36%	Certificates of Property Taxes By NM County						
13												
14			**New Mexico Composite Tax Rate Calculation**									
15			**2014 Tax Paid**	**Taxable Value Note 2**	**2014 Actual Rate**	**Estimated 2015 Rate**	**Estimated 2016 Rate**					
16			22,800,626	696,458,262	3.27%	3.29%	3.31%					
17												
18			**Arizona Composite Tax Rate Calculation**									
19			**2014 Tax Paid**	**Taxable Value**	**2014 Actual Rate**	**Estimated 2015 Rate**	**Estimated 2016 Rate**					
20			4,954,579	393,632,000	1.26%	1.26%	1.26%					
21												
22												
23												

	A	B	C	D	E	F	G	H	I	J	K	L
1	PNM Exhibit HEM-4											
2	WP GT -3 - Property Tax Rates											
3	Hyperlink back to Lead Sheet											
4												
24						Calculation of Weighted Tax Rates						
25			Dec 2014 Net Book Value	Taxable Basis	% Weighting	Estimated 2015 Tax Rate	Weighted 2015 Rates	Dec 2015 Net Book Value	Taxable Basis	% Weighting	Estimated 2016 Tax Rate	Weighted 2016 Estimated Rates
26	Production											
27	Steam Production											
28		San Juan	582,968,492	194,322,831	86%	2.44%	2.10%	629,966,472	209,988,824	86%	2.45%	2.11%
29		Four Corners	57,022,873	19,007,624	8%	2.44%	0.20%	61,001,622	20,333,874	8%	2.45%	0.20%
30		Reeves	38,823,344	12,941,115	6%	4.75%	0.27%	39,688,192	13,229,397	5%	4.78%	0.26%
31		Algodones	23,525	7,842	0%	3.38%	0.00%	23,247	7,749	0%	3.40%	0.00%
32		Total Steam	678,838,235	226,279,412			2.57%	730,679,533	243,559,844			2.58%
33												
34	Palo Verde 1 & 2 (Note 5)		177,163,898	177,163,898		1.26%	1.26%	197,430,330	197,430,330		1.26%	1.26%
35	Palo Verde 3		128,414,726	128,414,726		1.26%	1.26%	135,990,444	135,990,444		1.26%	1.26%
36		Total Nuclear	305,578,623	305,578,623				333,420,773	333,420,773			
37												
38	Other Plant - Gas & 40 MW Solar											
39		Afton	173,608,624	57,869,541	67%	3.33%	2.24%	169,193,821	56,397,940	40%	3.35%	1.33%
40		Luna	46,054,487	15,351,496	18%	2.56%	0.46%	46,923,059	15,641,020	11%	2.57%	0.28%
41		Lordsburg	39,188,655	13,062,885	15%	2.57%	0.39%	38,718,287	12,906,096	9%	2.59%	0.24%
42		Rio Bravo	36,110,519		0%	3.38%	0.00%	36,129,647	12,043,216	8%	3.40%	0.29%
43		Other	-	-	0%	3.29%	0.00%	135,162,708	45,054,236	32%	3.31%	1.05%
44		Total Other - Gas	294,962,284	86,283,922			3.08%	426,127,523	142,042,508			3.19%
45												
46	Renewables		169,997,465	56,665,822	100%	3.29%	3.29%	164,032,101	54,677,367	100%	3.31%	3.31%
47												
48												
49	Total Production without PV3		1,320,961,881	546,393,053			2.30%	1,518,269,487	637,710,049			2.37%
50												
51												
52		Calculation for Property Tax Escalation	2011 Tax Rate	2012 Tax Rate	2013 Tax Rate	2014 Tax Rate	Average Property Tax Escalation Note 4					
53		Total Composite (NM)	3.22%	3.25%	3.26%	3.27%	0.52%					
54		Total Composite (AZ)	0.96%	0.99%	1.31%	1.26%						
55	Notes:											
56	Note 1: Source of Rates from Certificates of Property Taxes By NM County are available at NM Department of Finance and Administration website: http://nmdfa.state.nm.us/Certificate_of_Property_Tax.aspx											
57	Note 2: New Mexico Composite Tax Rate Calculation includes corporate property located in New Mexico											
58	Note 3: Based on the various locations of Renewable Facilities, Transmission Plant, Distribution Plant, and General and Intangible Plant, PNM utilized the New Mexico composite Tax Rate for these cost of service line items.											
59	Note 4: Arizona property tax held 2014 Rate constant. The large increase in 2013 rates was due to Maricopa County billing at an incorrect rate in 2011 and 2012. PNM does not expect to see the escalation on future rates.											
60	Note 5: Palo Verde 1 & 2 property taxes are calculated based on the net book value excluding amounts associated with the PV Unit 2 Owner Trust. Property taxes associated with the PV Unit 2 Owner Trust are recorded in FERC 525 as lease expense (see WP OM-2, Line 351).											

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit HEM-4								
2	WP GT 4 - Payroll Taxes								
3	Base Period data is historical information from the Company's Books and Records.								
4	Hyperlink back to Lead Sheet								
5									
6			WP LA-10	WP LA-6	WP SS-3				
7	Description	Unadjusted Base Period Payroll Taxes	Labor Normalization Adjustment - PNM	Labor Normalization Adjustment - San Juan	Shared Services Allocation	Total Base Period Adjustments	Total Base Period Payroll Taxes		
8									
9	Production	1,512,846	1,093,862	(375,107)	892,078	1,610,833	3,123,679		
10	Transmission	100,685	406,091	-	131,509	537,601	638,286		
11	Distribution	2,461,830	(1,560,418)	-	1,434,594	(125,824)	2,336,006		
12	Total	4,075,361	(60,464)	(375,107)	2,458,181	2,022,610	6,097,971		
13									
14									
15						WP LA-7 WP LA-10	WP LA-6 WP LA-9	WP SS-9	
16	Description	Linkage Data - PNM	Linkage Data - San Juan	Linkage Data - Shared Services	Total Linkage Data	Test Period - PNM	Test Period - San Juan	Test Period - Shared Services Allocation	Total Test Period Payroll Taxes
17									
18	Production	699,496	511,246	447,038	1,657,780	1,431,034	1,038,374	938,474	3,407,882
19	Transmission	276,075	-	102,067	378,142	559,654	-	230,661	790,315
20	Distribution	516,016	-	637,776	1,153,792	1,046,027	-	1,417,629	2,463,656
21	Total	1,491,587	511,246	1,186,881	3,189,714	3,036,715	1,038,374	2,586,765	6,661,854

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit HEM-4									
2	WP GT 5 - Other Misc Taxes									
3	Hyperlink back to Lead Sheet									
4										
5										
6	Base Period data is historical information from the Company's Books and Records.									
7	Note 1: I&S fees are removed from the base period as the I&S fees are based on the calculation included in the PNM Exhibit HEM-3 COS Base Adj									
8	Note 2: PNM Removed the impacts of Gross Receipts and Franchise Taxes as these are collected outside of base rates.									
9										
10										
11										
12	Description	Unadjusted Base Period	Remove Base Period I&S Taxes Note 1	Removal of Gross Receipts & Franchise Tax Note 2		Total Base Period Adjustments	Total Adjusted Base Period Misc Taxes	Escalation	Test Period	Linkage Data
13										
14	Misc Taxes - Production Related	4,612		(800)		(800)	3,812	57	3,869	1,906
15	Misc Taxes - Renewable	163,082				-	163,082	2,446	165,528	81,541
16	Misc Taxes - Transmission Related	856				-	856	13	868	428
17	Misc Taxes - Distribution Related	(18,496)		32,315		32,315	13,819	207	14,026	6,910
18	Regulatory Commission Fees (I&S) PNM	5,015,580	(5,015,580)			(5,015,580)	-	-	-	-
19	Joint Projects Four Corners	352,988				-	352,988	5,295	358,282	176,494
20	Joint Projects PVNGS	1,802,683				-	1,802,683	27,040	1,829,723	901,342
21	Joint Projects Transmission	760				-	760	11	772	380
22	Native American Taxes - Production	1,565,957				-	1,565,957	23,489	1,589,446	782,978
23	Native American Taxes - Transmission	891,741				-	891,741	13,376	905,117	445,870
24	Native American Taxes - Distribution	52,703				-	52,703	791	53,493	26,351
25	Total	9,832,465	(5,015,580)	31,515		(4,984,065)	4,848,399	72,726	4,921,125	2,424,200
26										
27										
28	Escalation	1.5%								
29	Escalation Periods (years)	1								

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP OA

Is contained in the following 8 pages.

	A	B	C	D	E
1	**PNM Exhibit HEM - 4**				
2	**WP OA - Lead Sheet**				
3				***Provides Information To***	***Requires Information From***
4	***Tab Reference***	***Description***	***Purpose***	***Tab name***	***Tab name***
5	WP OA-1	COS Summary of Other Allowable Expenses	Summarizes Other Allowable Expenses for the COS Model.	PNM Exhibit HEM-3 WP COS.xlsx; PNM Exhibit HEM-3 COS Base Adj, PNM Exhibit HEM-3 COS Test	WP OA-2
6	WP OA-2	Summary of Other Allowable Expenses	Provides a Summary of Other Allowable Expenses, Including: Base Period, Base Period Adjustments, Linkage Expenses, Test Period Expenses.	WP OA-1	WP OA-3, WP OA-4, WP OA-6, WP RA- Reg Asset & Liab workpaper.xlsx; WP RA-4, WP RA-Reg Asset & Liab workpaper.xlsx; WP RA-2
7	WP OA-3	2015 Rate Case Expenses	Provides a summary of 2015 rate case expenses, including: Base Period Costs Deferred, Estimated Costs to Complete by Vendor, Final Costs to complete by Vendor.	WP OA-2	***Manual Inputs***
8	WP OA -4	Summary of ARO Accretion Expense in Test Period	Provides a summary of ARO accretion expense in test period, including: Test Period Expense, Adjust Accretion Expense to Straight-Line Recovery, Requested Accretion Expense - Test Period.	WP OA-2	WP OA-5, PNM Exhibit HEM-3 - WP COS.xlsx; PNM Exhibit HEM-3 COS Test
9	WP OA-5	Accretion Expense Schedule	Provides calculation of production ARO Accretion expense to straightline expense, including: San Juan, Luna, Lordsburg, Afton, Reeves, Four Corners, Algodones.	WP OA-2, WP OA -4	***Manual Inputs***
10	WP OA-6	PV 2 Lease Acquisition	Provides a summary of PV 2 lease acquisition adjustment amortization for Test Period expense.	WP OA-2	***Manual Inputs***
11					
12					
13	**Note: File name is provided, if worksheet is linked to external workbook.**				

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit HEM-4									
2	WP OA-1 - Summary of Other Allowable Expenses for COS Input									
3	Hyperlink to Lead Sheet									
4		Base Period	Base Period	Adjusted Base Period	Apr 15 - Sept 15	Oct 15- Sep 16	Test Period	Test Period to Adjusted	Test Period to Adjusted	
5	Other Allowable Expenses	Expense	Adjustments	Expense	Expense	Expense	Expense	Base Period Variance- $	Base Period Variance- %	Explanation
6										
7	Interest on Customer Deposits	248,735	-	248,735	124,367	248,735	248,735	-	0.0%	Not Applicable
8	Amortization Loss on Reacquired Debt	1,235,545	-	1,235,545	617,772	1,235,545	1,235,545	-	0.0%	Not Applicable
9	Amortization of Renewable Reg Assets	2,338,166	-	2,338,166	1,501,855	2,912,110	2,912,110	573,944	24.5%	Note 3
10	Carrying Charges on Renewables	405,243	-	405,243	132,417	113,386	113,386	(291,857)	-72.0%	Note 6
11	Amortization Retail Rate Case Expenses	-	-	-	-	2,017,054	2,017,054	2,017,054	100.0%	Note 1, Note 5
12	PV DOE Settlement from 10-00086-UT	(185,278)	-	(185,278)	-	-	-	185,278	-100.0%	Note 2
13	Regulatory Credits	(1,307,471)	-	(1,307,471)	(578,466)	(1,156,932)	(1,156,932)	150,539	-11.5%	Note 3
14	Accretion ARO - Production Related	5,671,429	-	5,671,429	2,835,714	6,875,146	6,875,146	1,203,717	21.2%	Note 4
15	Accretion ARO - PV 3	2,401,763	-	2,401,763	1,200,882	2,732,173	2,732,173	330,410	13.8%	Note 4
16	Accretion ARO - Distribution Related	120,830	-	120,830	61,756	98,868	98,868	(21,962)	-18.2%	N/A
17	Amortization PV 2 Lease Acquisition Adjustment	-	-	-	-	2,024,157	2,024,157	2,024,157	100.0%	WP OA-2 Note 3
18	Amortization EIP Acquisition Adjustment	585,969	-	585,969	292,984	585,969	585,969	-	0.0%	Not Applicable
19	Amortization PV 1&2 Acquisition Adjustment	365,110	-	365,110	182,555	365,110	365,110	-	0.0%	Not Applicable
20	Amortization of AS Lease Regulatory Asset	-	-	-	-	766,997	766,997	766,997	100.0%	Note 5
21	Amortization TOU Regulatory Asset	-	-	-	-	125,000	125,000	125,000	100.0%	Note 5
22	Amortization of LVGS Regulatory Liability	-	-	-	-	(728,530)	(728,530)	(728,530)	100.0%	Note 5
23	Amortization of LVGS Regulatory Asset	-	-	-	-	132,385	132,385	132,385	100.0%	Note 5
24	**Total Other Allowable Expenses**	**11,880,040**	-	**11,880,040**	**6,371,837**	**18,347,172**	**18,347,172**	**6,467,132**		
25										
26	Note 1: Please refer to WP OA-3 for specific identification of Rate Case Expenses incurred during the Test Period.									
27	Note 2: Settlement fully amortized in Base Period.									
28	Note 3: Linkage and Test Period Amortization of Renewable Reg Assets is based on 3 months of the amortization of the regulatory asset for owned PV facilities in 2015 as filed in the 2014 Renewable Reconciliation filing (NMPRC Case No. 12-00007-UT) and 9 months of the amortization of the regulatory asset for owned PV facilities in 2016 as filed in the 2016 Renewable Plan Filing (NMPRC Case No. 15-00166-UT). Base Period amounts only include the amortization related to the return on rate base portion of the Renewable Regulatory assets; the other portions are recorded to specific FERC accounts under the amortization cost type.									
29	Note 4: Please reference WP OA-4 for determination of appropriate accretion. Increase reflects request to straight-line accretion expense. Please refer to testimony of PNM Witness Monroy.									
30	Note 5: Represent New Amortizations/Reg Asset. Please refer to testimony of PNM Witness Monroy.									
31	Note 6: The decrease to Carrying Charges on Renewable Reg Assets are due to the declining balances on the Renewable Reg Assets.									
32										

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit HEM-4								
2	WP OA-2 - Summary of Other Allowable Expenses								
3	Hyperlink to Lead Sheet								
4	Note 1: Base period data is historical information from the Company's Books and Records								
5									
6			Base Period	Base Period	Adjusted Base Period	Apr 15 - Sept 15	Oct 15- Sep 16	Test Period	
7	Description	FERC	Expense	Adjustments	Expense	Expense	Expense	Expense	Reference
9	Total Oth Int Exp-Customer Deposits	431	248,735	-	248,735	124,367	248,735	248,735	Note 2
10									
12	Total Loss on Reacquired Debt	428.1	1,235,545	-	1,235,545	617,772	1,235,545	1,235,545	WP RA-6 pg. 3, Column J, Line 26
13									
15	Amortization of Renewable Reg Assets		2,338,166	-	2,338,166	1,501,855	2,912,110	2,912,110	Note 1
16									
18	Carrying Charges on Renewables		405,243	-	405,243	132,417	113,386	113,386	Note 4
19									
21	Retail Rate Case Expenses	928	-	-	-	-	2,017,054	2,017,054	WP OA-3, line 30
22									
24	PV DOE Settlement from 10-00086-UT	254	(185,278)	-	(185,278)	-	-	-	
25									
28	Total Regulatory Credits	427.4	(1,307,471)	-	(1,307,471)	(578,466)	(1,156,932)	(1,156,932)	WP RA-2, Column Y, Lines 37 + 38
29									
32	Total Accretion ARO - Production Related	101.3	5,671,429	-	5,671,429	2,835,714	6,875,146	6,875,146	WP OA-4, Column D, line 10, Note 5
33									
34									
37	Total Accretion ARO - PV 3	101.3	2,401,763	-	2,401,763	1,200,882	2,732,173	2,732,173	WP OA-4, Column D, line 12, Note 5
38									
41	Total Accretion ARO - Distribution Related	101.3	120,830	-	120,830	61,756	98,868	98,868	WP OA-4, Column D, line 14, Note 5
42									
44	Total Amort PV 2 Lease Acquisition Adjustment	114	-	-	-	-	2,024,157	2,024,157	WP OA-6, Column B, line 11
45									
47	Total Amort EIP Acquisition Adjustment	114	585,969	-	585,969	292,984	585,969	585,969	Note 3
48									
50	Total Amort PV 1&2 Acquisition Adjustment	114	365,110	-	365,110	182,555	365,110	365,110	Note 3
51									
53	Total Amortization of AS Lease Regulatory Asset	427	-	-	-	-	766,997	766,997	WP RA-4, Column C, line 22
54									
56	Total Amortization TOU Regulatory Asset	427	-	-	-	-	125,000	125,000	WP RA-2, Column Y, Line 40
57									
59	Total Amortization of LVGS Regulatory Liability	427	-	-	-	-	(728,530)	(728,530)	WP RA-2, Column Y, line 35
60									
62	Total Amortization of LVGS Regulatory Asset	427	-	-	-	-	132,385	132,385	WP RA-2, Column Y, line 34
63	Total Other Allowable Expenses		11,880,040	-	11,880,040	6,371,837	18,347,172	18,347,172	
64									
65	Note 1: Linkage and Test Period Amortization of Renewable Regulatory Assets is based on 3 months of the amortization of the regulatory asset for owned PV facilities in 2015 as filed in the 2014 Renewable Reconciliation filing (NMPRC Case No. 12-00007-UT) and 9 months of the amortization of the regulatory asset for owned PV facilities in 2016 as filed in the 2016 Renewable Plan Filing (NMPRC Case No. 15-00166-UT). Base Period amounts only include the amortization related to the return on rate base portion of the Renewable Regulatory assets; the other portions are recorded to specific FERC accounts under the amortization cost type.								
66	Note 2: Customer deposits –The test period balances match the adjusted base period balances as PNM does not forecast any significant changes to these balances, as stated in the testimony of PNM Witness Monroy.								
67	Note 3: Acquisition Adjustments – PNM has included in rate base the EIP Acquisition Adjustment and the Palo Verde Units 1 and 2 Acquisition Adjustments that were approved by the Commission in NMPRC Case No. 07-00077-UT. The balances included in the test period were developed based on set amortization periods. In addition, PNM has included the acquisition adjustment associated with the purchase of the 64 MW of Palo Verde Unit 2 leases, as discussed earlier in my testimony. The amortization is based on straight-line amortization over the expected remaining useful life of Palo Verde Unit 2, which extends through 2046, as stated in the testimony of PNM Witness Monroy.								
68	Note 4: The decrease to Carrying Charges on Renewable Regulatory Assets are due to the declining balances on the Renewable Reg Assets. These carrying charges are based on 2015 carrying charges amounts included in the 2014 Renewable Reconciliation filing (NMPRC Case No. 12-00007-UT) and the total 2016 carrying charges amounts included in the 2016 Renewable Plan Filing (NMPRC Case No. 15-00166-UT).								
69	Note 5: Linkage Data accretions based on PNM Exhibit JAP - 8								
70	General Note: The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.								

	A	B	C	D	E	F	G	H
1	**PNM Exhibit HEM-4**							
2	**WP OA-3 - Summary of 2015 Rate Case Expenses**							
3	Hyperlink to Lead Sheet							
4	**Note 1: Base period data is historical information from the Company's Books and Records**							
5	**Outside Consultants**				**As of March 31, 2015**	**Estimated Costs to complete**	**Final Estimate of Costs**	**Reference**
6								
7	Amerisco Inc.				$ 88,517		$ 88,517	
8	Cuddy & McCarthy LLP				44,581	-	44,581	
9	Not used				-		-	
10	Alliance Consulting				50,328	75,000	125,328	
11	Not used				-	-	-	
12	Price Waterhouse Coopers, LLP				175,976	53,685	229,661	
13	KPMG LLP				-	125,000	125,000	
14	Sussex Economic Advisors LLC				49,383	100,000	149,383	
15	Wilkinson Barker Knauer LLP				261,385	900,000	1,161,385	
16	Christensen & Associates				29,342	70,000	99,342	
17	Brattle Group				214,190	400,000	614,190	
18	Allied Energy Group				-	65,000	65,000	
19	Scott Madden				-	440,000	440,000	
20	Miller Stratvert				39,147	397,575	436,722	
21	Other External Witness Support				-	150,000	150,000	
22	Towers Watson				-	30,000	30,000	
23								
24	**Total Consultants**				**952,849**	**2,806,260**	**3,759,109**	
25								
26	Other Costs (Mailing, Postage, Reproduction, Etc.)					275,000	275,000	
27								
28	**Total Estimated Rate Case Expenses**				**$ 952,849**	**$ 3,081,260**	**$ 4,034,109**	WP ORB-2, Column C, Line 38
29								
30	Estimated 2015 Rate Case Amortization Expense						2,017,054	WP OA-1, Column G, Line 11
31	Two Year Amortization (line 28 / 2)							
32								
33								
34								

	A	B	C	D	E
1	PNM Exhibit HEM-4				
2	WP OA-4 - Summary of ARO Accretion Expense in Test Period				
3	Hyperlink to Lead Sheet				
4					
5			WP OA-5		
6	Description	Test Period Expense	Adjust Accretion Expense to Straight-Line Recovery	Requested Accretion Expense - Test Period	Reference
7	Asset Retirement Obligation - Accretion Expense				
8	Production, Excluding PVNGS	867,666	1,423,647	2,291,312	
9	Production - PVNGS Units 1 and 2	4,583,834	-	4,583,834	WP OA-5, Column I, Note 1
10	Total Production, excluding PVNGS Unit 3	5,451,500	1,423,647	6,875,146	WP OA-1, line 14
11					
12	Production - PVNGS Unit 3	2,732,173	-	2,732,173	WP OA-1, line 15, Note 1
13					
14	Distribution	98,868	-	98,868	WP OA-1, line 16, Note 2
15					
16	**Total Accretion Expense**	**8,282,541**	**1,423,647**	**9,706,187**	
17					
18					
19					
20	**Determination of PV Decommissioning Credit - Test Period - Note 1**				
21	ARO - Accretion Expense - Palo Verde Units 1 and 2			4,583,834	
22	PNM Retail Share - Generation Demand Allocator			96.23%	
23	PNM Retail Share of Accretion Expense			4,411,012	
24					
25	Funding Requirements for Palo Verde Units 1 and 2			2,637,000	Note 3
26				96.23%	
27				2,537,578	
28					
29	**Decommissioning Credit**			**(1,873,433)**	**OM-4, Column S, Line 345**
30					
31	Note 1: Palo Verde Decommissioning and ARO recovery is based on funding amounts. PNM includes the funding portion in its Cost of Service. Therefore, PNM				
32	has not forecasted the change to accretion expense at Palo Verde, as the funding amount in the test period does not change. The PV Decommissioning				
33	credit appropriately reflects the funding amounts in the Cost of Service.				
34	Note 2: Please refer to PNM Exhibit JAP-8 for Accretion Schedules for Distribution.				
35	Note 3: Refer to the testimony of PNM Witness Eden for PNM Decommissioning funding amounts used.				
36					

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit HEM-4									
2	WP OA-5 Calculation of Production ARO Accretion Expense to Straight-line Expense									
3	Hyperlink to Lead Sheet									
4	Year									
5		San Juan (Note-1)	Luna (Note-1)	Lordsburg (Note-1)	Afton (Note-1)	Four Corners (Note-1)	Algodones (Note-1)	Reeves (Note-1)	Totals	
6	Apr-15	$ 23,943	$ 2,109	$ 5,935	$ 13,796	$ 24,995	$ 2,133	$ 5,926	$ 78,836	
7	May-15	24,050	2,119	5,966	13,889	25,163	2,147	5,966	79,301	
8	Jun-15	24,158	2,129	22	13,983	25,331	2,162	2,316	70,102	
9	Jul-15	24,267	2,139	22	14,078	25,501	2,177	2,332	70,516	
10	Aug-15	24,376	2,150	22	14,173	25,672	2,191	2,348	70,933	
11	Sep-15	24,485	2,160	22	14,269	25,844	2,206	2,364	71,351	
12	Oct-15	24,595	2,170	22	14,366	26,017	2,221	2,380	71,773	
13	Nov-15	24,705	2,180	22	14,463	26,192	2,237	2,396	72,196	
14	Dec-15	24,816	2,190	23	14,561	26,367	2,252	2,413	72,622	
15	Jan-16	24,927	2,201	23	14,660	26,544	2,267	2,429	73,051	
16	Feb-16	25,039	2,211	23	14,759	26,722	2,283	2,446	73,483	
17	Mar-16	25,152	2,222	23	14,859	26,901	2,298	2,462	73,918	
18	Apr-16	25,265	2,232	23	14,960	27,081	2,314	2,479	74,355	
19	May-16	25,377	2,243	23	15,061	27,263	2,330	2,496	74,794	
20	Jun-16	25,491	2,253	24	15,163	27,446	2,346	2,513	75,236	
21	Jul-16	25,606	2,264	24	15,266	20,296	2,362	2,530	68,348	
22	Aug-16	25,721	2,275	24	15,370	20,431	2,378	2,548	68,745	
23	Sep-16	25,836	2,285	24	15,474	20,567	2,394	2,565	69,145	
24	Oct-16	25,951	2,296	24	15,579	20,704	2,410	2,582	69,547	
25	Nov-16	26,068	2,307	24	15,684	20,842	2,427	2,600	69,952	
26	Dec-16	26,185	2,318	25	15,790	20,981	2,443	2,618	70,360	
27	2017	323,508	28,685	308	198,040	262,948	30,653	32,842		
28	2018	309,094	30,357	334	214,757	284,766	33,258	35,634		
29	2019	325,985	32,128	363	232,887	308,402	36,085	38,663		
30	2020	343,767	34,004	394	252,549	334,009	39,152	41,949		
31	2021	362,483	35,992	427	273,873	361,752	42,480	45,515		
32	2022	382,182	38,099	464	297,000	391,809	46,091	49,383		
33	2023	402,908	40,331	503	322,083	424,374	50,009	53,581		
34	2024	424,713	42,697	546	349,286	459,657	54,260	58,135		
35	2025	447,649	45,205	515	378,789	497,885	58,872	63,077		
36	2026	471,769	47,863	559	410,788	539,306	63,876	68,438		
37	2027	497,129	50,681	607	445,493	584,187	69,305	74,256		
38	2028	520,856	53,668	658	483,133	632,817	75,196	80,567		
39	2029	548,704	56,836	714	523,957	685,511	81,588	87,416		
40	2030	577,964	60,195	775	568,235	742,610	88,523	94,846		
41	2031	608,699	63,757	841	616,258	804,484	96,047	102,908		
42	2032	640,976	67,535	912	659,339	871,531	104,211	111,655		
43	2033	674,864	71,543	990	611,880	944,187	113,069	121,146		
44	2034	710,431	75,794	1,074	663,599	1,022,923	122,680	131,443		
45	2035	747,752	80,304	1,165	719,694	1,108,247	133,110	142,616		
46	2036	786,899	85,090	1,264	780,535	1,200,715				
47	2037	827,951	78,167	1,371	846,526	1,300,923				

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit HEM-4									
2	WP OA-5 Calculation of Production ARO Accretion Expense to Straight-line Expense									
3	Hyperlink to Lead Sheet									
4	Year									
5		San Juan (Note-1)	Luna (Note-1)	Lordsburg (Note-1)	Afton (Note-1)	Four Corners (Note-1)	Algodones (Note-1)	Reeves (Note-1)	Totals	
48	2038	870,985	82,537	1,488	918,101	1,409,524				
49	2039	916,082	87,151	1,615	995,734	1,527,222				
50	2040	963,322	92,022	1,752	1,079,938	1,654,780				
51	2041	1,012,788	97,167	1,901	1,171,270	1,041,505				
52	2042	1,064,565	102,598	2,062	1,160,488					
53	2043	1,118,738	108,333	2,238						
54	2044	1,175,392	114,389	2,428						
55	2045	1,234,613	120,784							
56	2046	1,296,487	41,743							
57	2047	1,361,098								
58	2048	1,428,530								
59	2049	1,498,866								
60	2050	1,572,184								
61	2051	1,648,563								
62	2052	1,728,072								
63	2053	1,255,118								
64	2054	216,549								
65	2055	234,955								
66	2056	254,927								
67	2057	276,595								
68	Total	$ 32,445,442	$ 1,999,301	$ 28,617	$ 15,400,247	$ 19,760,432	$ 1,373,426	$ 1,471,530		
69										
70	Number of Remaining Months	507	375	351	327	315	243	243		
71										
72	2016 Summary									
73	Monthly Straight-line Expense	63,995	5,331	82	47,096	62,732	5,652	6,056	190,943	
74	Annual Straight-line Expense	767,939	63,978	978	565,147	752,778	67,823	72,668	2,291,312	
75	Annual Accretion Expense Test Period	302,529	26,726	278	178,964	301,828	27,681	29,658	867,666	WP OA-4, Column B
76										
77	Additional Expense in 2016	465,410	37,252	700	386,183	450,950	40,143	43,010	1,423,647	WP OA-4, Column C
78										
79	*line 73 = line 68 divided by line 70*									
80	*line 74 = line 73 multiplied by 12*									
81	*line 75 = line 12 Through line 23*									
82	*line 77, column I agrees to WP RA-2, line 23 and WP OA-4, column C, line 16*									
83										
84	Note 1: Accretion Schedules Provided in PNM Exhibit JAP - 8, Based on the testimony of PNM Witness Peters.									

	A	B	C
1	**PNM Exhibit HEM-4**		
2	**WP OA-6 - Summary of PV 2 Lease Acquisition Adjustment Amortization**		
3	Hyperlink to Lead Sheet		
4			
5	**Description**	**2016 Test Period Expense**	**Reference**
6	**PV2 Lease Acquisition Adjustment Amortization Expense**		
7	Total Acquisition Adjustment	61,230,751	Note 2
8	Remaining Useful Life	363.00	Beginning Date of Ownership February 2016 Through Terminal Date April 2046
9	Monthly Amortization Expense	168,680	Line 7 / Line 8
10			
11	**Test Period Amortization (Line 9 *12)**	**2,024,157**	**WP OA-1, line 17**
12			
13	Note 1 - PNM reflected a total year amortization related to the acquisition of PV Unit 2		
14	64 MW leases. This is due to the elimination of the lease expense during the first		
15	three months of the test period - Oct. 15 - Dec. 15. Please refer to the testimony		
16	of PNM Witness Monroy for further discussion.		
17			
18	**Amortization**	61,230,751	Balance at January 2016
19	(168,680)	61,062,071	February-16
20	(168,680)	60,893,391	March-16
21	(168,680)	60,724,712	May-16
22	(168,680)	60,556,032	June-16
23	(168,680)	60,387,352	July-16
24	(168,680)	60,218,672	August-16
25	(168,680)	60,049,993	September-16
26	Note 2 - PNM has calculated an acquisition adjustment of $62.2 million. Please reference the testimony of PNM Witness Peters.		
27			
28			

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP RC

Is contained in the following 5 pages.

	A	B	C	D	E
1	PNM Exhibit HEM - 4				
2	WP RC - Revenue Credits Workpaper				
3					
4				*Provides Information To*	*Requires Information From*
5	*Tab Reference*	*Description*	*Purpose*	*Tab name*	*Tab name*
6	WP RC-1	Summary of revenue credits, base period, adjustments to the base period, linkage and test period.	Provides a summary of revenue credits, from base period, linkage and test period.	PNM Exhibit HEM-3 - WP COS	WP SS - Shared Services Workpaper WP RC - 2, WP RC-3, WP RC-4
7	WP RC-2	Summary of Miscellaneous Service Charges for the base and test period.	Provides adjustments to Rate 16 revenue credits proposed in the filing.	WP RC-1	PNM Exhibit JCA-16
8	WP RC-3	Other Retail Revenue summary	Provides the detail of Other Retail Revenue, classifying it as to whether it is included in revenue credits or excluded.	WP RC-1	Manual Inputs
9	WP RC-4	Transmission Revenue Credits	Provides the detail of Transmission Revenues in the base period and identification of revenue credits.	WP RC-1	Manual Inputs

	A	B	C	D	E	F	G	H	I	J	K	L
1	PNM Exhibit HEM-4											
2	WP RC-1: Summary of Revenue Credits											
3	Base Period data is historical information from the Company's Books and Records.											
4	Hyperlink to Revenue Credit Lead Sheet											
5				WP SS-3	Note 1			WP RC-2	PNM Exhibit HEM-3 COS Test, Column G, Lines 675-689			
6	Description	FERC	Base Period	Shared Service Revenue	Remove Transmission Redispatch	Adjusted Base Period	Escalation Adjustment	Misc. Service Charge Adj	Test Period Revenue	Test Period to Adjusted Base Period Variance - $	Test Period to Adjusted Base Period Variance - %	Explanation
10	Total Sale of SO2 Credits	411	(26)	-	-	(26)	(0)	-	(26)	(0)	1.5%	Escalation Adjustment
13	Total Rent For Electric Property Transmission	454	(434,934)	-	-	(434,934)	(6,524)	-	(441,458)	(6,524)	1.5%	Escalation Adjustment
16	Total Rent for Electric Property - Distribution	454	(4,511,687)	-	-	(4,511,687)	(67,675)	-	(4,579,362)	(67,675)	1.5%	Escalation Adjustment
19	Total Late Payment Charges	450	(966,781)	-	-	(966,781)	(14,502)	-	(981,283)	(14,502)	1.5%	Escalation Adjustment
22	Total Misc Service Charge Revenue	451	(1,045,817)	-	-	(1,045,817)	-	(511,352)	(1,557,169)	(511,352)	48.9%	See WP RC-2 Sum misc charge for explanation
25	Total Other Retail Revenue - Transmission	456	(105,711)	-	-	(105,711)	(1,586)	-	(107,296)	(1,586)	1.5%	Escalation Adjustment
28	Total Other Retail Revenue - Distribution	456	(421,175)	-	-	(421,175)	(6,318)	-	(427,493)	(6,318)	1.5%	Escalation Adjustment
31	Total Generation Ancillary Services Credit Sch 2-5	456.1	(2,255,940)	-	-	(2,255,940)	(33,839)	-	(2,289,779)	(33,839)	1.5%	Escalation Adjustment
34	Total Real Power Losses (Financial)	456.1	(720,388)	-	-	(720,388)	(10,806)	-	(731,193)	(10,806)	1.5%	Escalation Adjustment
37	Total Transmission redispatch contract revenues	456.1	(459,552)	-	459,552	-	-	-	-	-		
40	Total Ancillary Services-Sch 1 and Non-Firm	456.1	(2,705,453)	-	-	(2,705,453)	(40,582)	-	(2,746,034)	(40,582)	1.5%	Escalation Adjustment
43	Total Short Term Firm Transmission	456.1	(714,279)	-	-	(714,279)	(10,714)	-	(724,993)	(10,714)	1.5%	Escalation Adjustment
46	Total Ancillary Services-Sch 1 ST PTP and Other	456.1	(285,672)	-	-	(285,672)	(4,285)	-	(289,958)	(4,285)	1.5%	Escalation Adjustment
50	Economy Service Customer Revenue Credits	442&555	(4,378,298)	-	-	(4,378,298)	(65,674)	-	(4,443,972)	(65,674)	1.5%	Escalation Adjustment
53	Total Co 7 Revenue		-	(110,577)	-	(110,577)	(1,659)	-	(112,236)	(1,659)	1.5%	Escalation Adjustment
54	Total Revenue Credits		(19,005,711)	(110,577)	459,552	(18,656,736)	(264,164)	(511,352)	(19,432,252)	(775,516)		
55												
56	Escalation Rate		1.50%									
57	Periods of Escalation (years)		1.00									
58	Column G = Column F * line 56, column C * line 57, column C											
59												
60	Note 1: The Transmission redispatch contract was not renewed, and therefore, no revenue credits are forecasted in the test period.											

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit HEM-4									
2	WP RC-2: Summary of Misc Service Charges									
3	Base Period data is historical information from the Company's Books and Records.									
4	Hyperlink to Revenue Credit Lead Sheet									
5										
6										
7				Column B + Column C		Colum D + Column E	Column F - Column B			
8	Description	Base Period	Escalation For Misc Service Charges Not Proposed to Change	Rate 16 Misc Charges - Based on Escalation - Test Period	Rate 16 Proposed New Rates Revenue Credits - Test Period - Note 1	Total Test Period Revenue Requirements - Misc Service Charges	Test Period to Adjusted Base Period Variance - $	Test Period to Adjusted Base Period Variance - %	Explanation	
9	Returned Checks	(86,254)			(339,540)	(339,540)	(253,286)	293.7%	Note 1	
10	Collection Charge	(111,019)			(131,604)	(131,604)	(20,585)	18.5%	Note 1	
11	Connect Charge (turn-on and read only)	(692,300)			(704,021)	(704,021)	(11,721)	1.7%	Note 1	
12	Meter Test Charge	(147)	(2)	(149)		(149)	(2)	1.5%	Escalation Adjustment	
13	Temp Service Charge Overhead	(40,223)	(603)	(40,826)		(40,826)	(603)	1.5%	Escalation Adjustment	
14	Service Charge Underground	(56,692)	(850)	(57,542)		(57,542)	(850)	1.5%	Escalation Adjustment	
15	Late Payment Charge	(30)	(0)	(30)		(30)	(0)	1.5%	Escalation Adjustment	
16	Meter Tampering Charge	(59,200)			(62,400)	(62,400)	(3,200)	5.4%	Note 1	
17	Miscellaneous	46	1	47		47	1	1.5%	Escalation Adjustment	
18		(1,045,817)	(1,456)	(98,500)	(1,237,565)	(1,336,065)	(290,248)			
19										
20										
21										
22	New Fees under Rider 16 proposed changes									
23	OMR Meter Installation	-			(30,060)	(30,060)	(30,060)	n/a	Note 1	
24	Reconnect at Pole	-			(16,936)	(16,936)	(16,936)	n/a	Note 1	
25	Reconnect (DNP)	-			(174,108)	(174,108)	(174,108)	n/a	Note 1	
26	Total	(1,045,817)	(1,456)	(98,500)	(1,458,669)	(1,557,169)	(511,352)			
27										
28	Escalation Rate	1.5%								
29	Periods of Escalation	1								
30										
31										
32	Note 1: PNM is proposing new Rate 16 rates for these charges, or in specific cases, is proposing new fees under Rate 16. The test									
33	period estimates are based on the proposed new rates. Please refer to PNM Exhibit JCA-16 for further discussion on development of Rate 16 rates.									
34										

	A	B	C	D	E
1	**PNM Exhibit HEM-4**				
2	**WP RC-3: Other Retail Revenue**				
3	**Base Period data is historical information from the Company's Books and Records.**				
4	Hyperlink to Revenue Credit Lead Sheet				
5					
6					
7					
8					
9	**Description**	**Base Period Total**	**Include / Exclude**		
10	City of Gallup	(119,756)	Distribution Revenue Credit - Include		
11	DG PV Credits	(174,197)	Exclude		
12	OATI West Connect	(105,711)	Transmission Revenue Credit - Include		
13	KAFB - Distribution Charge	(301,419)	Distribution Revenue Credit - Include		
14	Solar FAC Adjustments	363,190	Exclude		
15	Credit Reserve	52,353	Exclude		
16	Valencia Billing	41,889	Exclude		
17	Total	(243,651)			
18		283,235	Excluded		
19		(105,711)	Transmission Rev Credit	WP RC-1, Column C	
20		(421,175)	Distribution Rev Credit	WP RC-1, Column C	
21		-			
22	Note: Other Retail Revenue is recorded in FERC 456000, cost type 770 (Revenue General).				

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit HEM-4									
2	WP RC-4: Transmission Revenue Credits									
3	Base Period data is historical information from the Company's Books and Records.									
4										
5	Hyperlink to Revenue Credit Lead Sheet									
6										
7									Include / Exclude	
8	Company	Company Description	Location	Location Description	Account	Cost Type	Cost Type Description	Base Period Total	as Revenue Credit	Classification
9	003~CO	Bulk Power Services	049~LO	Off System Juris Gas	456100~AC	770~CT	Revenue-General	(282,102)	Exclude	Demand Allocation
10	003~CO	Bulk Power Services	052~LO	City Of Gallup	456100~AC	770~CT	Revenue-General	(28,395)	Exclude	Demand Allocation
11	003~CO	Bulk Power Services	052~LO	City Of Gallup	456100~AC	772~CT	Fuel Clause Adjustment	(17,865)	Exclude	Demand Allocation
12	003~CO	Bulk Power Services	052~LO	City Of Gallup	456100~AC	773~CT	Base Energy Revenue	(595,557)	Exclude	Demand Allocation
13	003~CO	Bulk Power Services	052~LO	City Of Gallup	456100~AC	774~CT	Demand Energy Revenue	(1,359)	Exclude	Demand Allocation
14	003~CO	Bulk Power Services	053~LO	Navapache	456100~AC	773~CT	Base Energy Revenue	(15,944)	Exclude	Demand Allocation
15	003~CO	Bulk Power Services	057~LO	ITS Non-Specific	456100~AC	770~CT	Revenue-General	(21,462)	Exclude	Demand Allocation
16	003~CO	Bulk Power Services	066~LO	100 Pct LTC - City of Aztec	456100~AC	770~CT	Revenue-General	(769)	Exclude	Demand Allocation
17	003~CO	Bulk Power Services	066~LO	100 Pct LTC - City of Aztec	456100~AC	772~CT	Fuel Clause Adjustment	(3,797)	Exclude	Demand Allocation
18	003~CO	Bulk Power Services	066~LO	100 Pct LTC - City of Aztec	456100~AC	773~CT	Base Energy Revenue	(642,156)	Exclude	Demand Allocation
19	003~CO	Bulk Power Services	066~LO	100 Pct LTC - City of Aztec	456100~AC	774~CT	Demand Energy Revenue	(289)	Exclude	Demand Allocation
20	002~CO	Transmission Services	650~LO	Transmission General	456100~AC	770~CT	Revenue-General	(16,148,692)	Exclude	Demand Allocation
21	002~CO	Transmission Services	634~LO	SPS Cond & Redispatch Xmsn	456100~AC	770~CT	Revenue-General	(402,000)	Include	Revenue Credit - Conditional contract
22	002~CO	Transmission Services	638~LO	Pre-OATT Demand Allocation	456100~AC	770~CT	Revenue-General	(1,471,620)	Exclude	Demand Allocation
23	002~CO	Transmission Services	639~LO	Long Term Firm PTP-Sch 7 Xmsn	456100~AC	770~CT	Revenue-General	(10,980,818)	Exclude	Demand Allocation
24	002~CO	Transmission Services	645~LO	Bilateral Xmsn Pre OATT	456100~AC	770~CT	Revenue-General	(254,520)	Include	Revenue Credit
25	002~CO	Transmission Services	640~LO	Short Term Firm PTP-Sch 7 Xmsn	456100~AC	770~CT	Revenue-General	(714,279)	Include	Revenue Credit
26	002~CO	Transmission Services	642~LO	Short Term Non Firm PTP Xmsn	456100~AC	770~CT	Revenue-General	(2,300,490)	Include	Revenue Credit
27	002~CO	Transmission Services	644~LO	Ancillary Svcs-Sch 1 Xmsn	456100~AC	770~CT	Revenue-General	(404,963)	Include	Revenue Credit
28	003~CO	Bulk Power Services	726~LO	Ancillary Sch 2-5	456100~AC	770~CT	Revenue-General	(323,135)	Include	Revenue Credit
29	003~CO	Bulk Power Services	041~LO	SW Public Service (SPS) Firm	456100~AC	770~CT	Revenue-General	(57,552)	Include	Revenue Credit - Conditional contract
30	002~CO	Transmission Services	620~LO	Ancil Sch 1 ST PTP incl interc	456100~AC	770~CT	Revenue-General	(31,152)	Include	Revenue Credit
31	003~CO	Bulk Power Services	726~LO	Ancillary Sch 2-5	456100~AC	773~CT	Base Energy Revenue	(1,932,805)	Include	Revenue Credit
32	003~CO	Bulk Power Services	727~LO	OATT 15.7 Energy Losses	456100~AC	770~CT	Revenue-General	(720,388)	Include	Revenue Credit
33								(37,352,109)		
34										
35								Summary of Revenue Credits		
36							Total Generation Ancillary Services Credit Sch 2-5	(2,255,940)	WP RC-1, Column C	
37							Total Real Power Losses (Financial)	(720,388)	WP RC-1, Column C	
38							Total Transmission redispatch contract revenues	(459,552)	WP RC-1, Column C	
39							Total Non-Firm and Ancillary Services Sch 1	(2,705,453)	WP RC-1, Column C	
40							Total Short Term Firm Transmission	(714,279)	WP RC-1, Column C	
41							Total Ancillary Services-Sch 1 ST PTP and Other	(285,672)	WP RC-1, Column C	
42								(7,141,283)		

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP AL

Is contained in the following 6 pages.

	A	B	C	D	E
1	**PNM Exhibit HEM - 4**				
2	**WP AL - Allocators Lead Sheet**				
3					
4				***Provides Information To***	***Requires Information From***
5	***Tab Reference***	***Description***	***Purpose***	***Tab name***	***Tab name***
6	AL-1	Summary of Base Period Allocators	Summarizes generation demand and energy, transmission demand, and sales allocators used in the cost of service.	PNM Exhibit HEM-3 COS.xlsx: base period COS	AL-2, ***Manual inputs***
7	AL-2	Transmission Demand Allocators	Calculates transmission demand allocators for adjusted base period and test period.	AL-1, AL-4	***Manual inputs***
8	AL-3	Sales Allocator	Calculates sales allocator for base and test period.	AL-1, AL-4	***Manual inputs***
9	AL-4	Summary of Test Period Allocators	Summarizes generation demand and energy, transmission demand, and sales allocators used in the cost of service.	PNM Exhibit HEM-3 COS.xlsx: test period COS	AL-2, ***Manual inputs***

	A B C	D	E	F	G	H	I	J	K	L	M
1	PNM Exhibit HEM-4										
2	WP AL-1 - Summary of Base Period Allocators										
3	Hyperlink to Lead Sheet										
4	Description	PNM Exhibit SC-6 Generation Demand		PNM Exhibit SC-6 Generation Energy		WP AL-2 Transmission Demand		WP AL-2 Transmission Demand without Network		WP AL-3 Sales	
5	PNM Retail	1,398.2	95.50%	8,881,122	95.18%	1,494	60.22%	1,494	76.83%	8,971,569	82.17%
6											
7	FERC Generation									656,805	6.02%
8	Gallup	-	0.00%	-	0.00%	-	0.00%	-	0.00%		
9	NEC	56.8	3.88%	391,192	4.19%	-	0.00%	-	0.00%		
10	Aztec	5.9	0.40%	35,882	0.38%	-	0.00%	-	0.00%		
11	Jicarilla	3.1	0.21%	22,412	0.24%	-	0.00%	-	0.00%		
12											
13	FERC Transmission	-	0.00%	-	0.00%	987	39.78%	451	23.17%		
14											
15											
16	Total FERC	65.8	4.50%	449,487	4.82%	987	39.78%	451	23.17%	656,805	6.02%
17											
18	Excluded		0.00%		0.00%		0.00%		0.00%	1,289,724	11.81%
19											
20	Total System	1,464.0	100.00%	9,330,608	100.00%	2,481	100.00%	1,944	100.00%	10,918,098	100.00%
21											
22											
23	Please refer toPNM Exhibit SC-6 for support of the generation demand and energy allocator.										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit HEM-4																	
2	WP AL 2 - Adjusted Base Period Transmission Allocators																	
3	Hyperlink to Lead Sheet																	
4																		
5	Note 1: NEC metered loads are net of WAPA in months when the WAPA transmission delivery path is WAPA to Springerville.																	
6	Note 2: NextEra Red Mesa to Four Corners contract expired Jan 2015; removed from Allocation as a known change.																	
7	Note 3: Annualized Jicarilla, using April 2015 Actuals for April 2014																	
8																		
9																		
10																		
11		Peak Day	4/6/2014	5/31/2014	6/30/2014	7/14/2014	8/18/2014	9/3/2014	10/6/2014	11/24/2014	12/30/2014	1/13/2015	2/27/2015	3/4/2015				
12		Peak Hour	2000	1700	1600	1600	1600	1600	1900	1900	1900	1900	1900	2000				
13	Description	Notes	April	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total	Average	Allocated Percentage W/ Network	Allocated Percentage W/O Network
14	Retail Native Load																	
15	Retail Native Load		1,124	1,473	1,821	1,678	1,657	1,648	1,215	1,307	1,439	1,379	1,355	1,239	17,335	1,445		
16	Add Adjustment for KAFB reading		43	47	64	59	58	60	44	44	43	44	45	42	592	49		
17	Net Co 2 Native Load		1,167	1,520	1,885	1,737	1,715	1,708	1,259	1,351	1,482	1,423	1,400	1,281	17,927	1,494	60.22%	76.83%
18																		
19	Wholesale NITS Load																	
20	Western for Kirtland Air Force Base	Net of WAPA	43	47	64	59	58	60	44	44	43	44	45	42	592	49		
21	Tri-State G&T	Net of WAPA	333	291	350	302	317	322	257	314	357	324	310	303	3,779	315		
22	Los Alamos County	Net of WAPA	29	47	39	42	55	56	38	30	30	48	26	30	470	39		
23	City of Gallup	Net of WAPA	22	23	36	36	31	32	26	31	32	30	29	29	357	30		
24	Navopache Electric Cooperative	Note 1	53	53	72	52	53	54	52	68	71	67	54	58	707	59		
25	City of Aztec	Net of WAPA	5	5	6	6	8	7	5	6	6	5	4	6	68	6		
26	NTUA		31	20	42	40	43	41	37	41	38	33	29	28	423	35		
27	Jicarilla Apache Nation		2	2	3	3	3	3	3	4	4	4	3	3	38	3		
28	Total Wholesale NITS Load		517	488	611	541	568	574	462	537	580	553	501	501	6,434	536	21.61%	0.00%
29																		
30	Pre-OATT PTP Load																	
31	El Paso Electric Company		21	21	-	-	-	-	-	-	-	-	-	-	41	3		
32	Western P0695 & 2425		118	129	162	173	170	148	174	184	188	181	174	164	1,965	164		
33	Navajo Agricultural Products Industry		5	8	7	6	6	4	3	0	0	0	0	0	40	3		
34	Total Pre-OATT PTP Load		143	158	169	179	176	152	176	185	189	181	174	165	2,047	171	6.88%	8.77%
35																		
36	OATT Long Term Firm PTP																	
37	Tri-State - Hidalgo-Greenlee		62	62	62	62	62	62	62	62	62	62	62	62	745	62		
38	PNMM SI-Coronado		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
39	B&B Argonne Mesa		93	93	93	93	93	93	93	93	93	93	93	93	1,117	93		
40	EPE FC-WM		108	108	108	108	108	108	108	108	108	108	108	108	1,291	108		
41	NextEra Red Mesa to Four Corners	Note 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
42	El Paso Electric Company		-	-	21	21	21	21	21	21	21	21	21	21	207	17		
43	Pacificorp		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
44	Total Long Term Firm PTP		263	263	283	283	283	283	283	283	283	283	283	283	3,360	280	11.29%	14.40%
45																		
46	Total Transmission Demand		2,090	2,429	2,949	2,739	2,743	2,718	2,180	2,356	2,535	2,441	2,358	2,230	29,768	2,481	100.00%	
47																		
48	Total Transmission Demand Without Network		1,573	1,941	2,337	2,199	2,174	2,143	1,719	1,819	1,954	1,888	1,857	1,730	23,334	1,944		100.00%
49																		
50																	Page 1 of 2	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit HEM-4																	
2	WP AL 2 - Adjusted Base Period Transmission Allocators																	
3	Hyperlink to Lead Sheet																	
4																		
5	Note 1: NEC metered loads are net of WAPA in months when the WAPA transmission delivery path is WAPA to Springerville.																	
6	Note 2: NextEra Red Mesa to Four Corners contract expired Jan 2015; removed from Allocation as a known change.																	
7	Note 3: Annualized Jicarilla, using April 2015 Actuals for April 2014																	
8																		
9																		
10																		
11		Peak Day	4/6/2014	5/31/2014	6/30/2014	7/14/2014	8/18/2014	9/3/2014	10/6/2014	11/24/2014	12/30/2014	1/13/2015	2/27/2015	3/4/2015				
12		Peak Hour	2000	1700	1600	1600	1600	1600	1900	1900	1900	1900	1900	2000				
13	Description	Notes	April	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total	Average	Allocated Percentage W/ Network	Allocated Percentage W/O Network
51	Input Data																	
52																		
53	Customer Demand Unadjusted for Losses - Gross Load																	
54	Western for Kirtland Air Force Base		42	48	65	60	59	61	46	46	45	45	45	44				
55	Tri-State G&T		407	385	452	418	435	431	372	433	482	444	425	414				
56	Los Alamos County		52	55	66	66	70	63	71	64	60	81	60	58				
57	City of Gallup		24	25	38	37	32	34	28	33	33	32	31	32				
58	Navopache Electric Cooperative Net of PD		52	51	69	50	51	52	51	65	68	65	52	56				
59	City of Aztec		5	6	7	7	9	8	6	6	7	7	6	6				
60	NTUA		30	19	40	39	42	40	36	39	37	32	28	27				
61	Jicarilla Apache Nation		2	2	8	8	3	3	3	3	3	3	3	3				
62																		
63	WAPA Allocations at Peak																	
64	Western for Kirtland Air Force Base		1	2	3	3	3	3	4	3	3	3	2	3				
65	Tri-State G&T		85	104	114	128	129	120	124	129	137	131	125	121				
66	Los Alamos County		24	10	28	25	17	9	34	35	31	35	35	29				
67	City of Gallup		3	3	3	2	2	3	3	3	2	3	3	3				
68	Navopache Electric Cooperative		0	0	0	0	0	0	0	0	0	0	0	0				
69	City of Aztec		1	1	1	1	1	1	1	1	1	2	2	1				
70																		
71	Pre-OATT PTP Load																	
72	El Paso Electric Company		20	20	0	0	0	0	0	0	0	0	0	0				
73	Western P0695 & 2425		114	125	157	167	164	143	168	178	182	175	168	159				
74	Navajo Agricultural Products Industry		5	8	7	8	6	3	2	0	0	0	0	0				
75																		
76	OATT Long Term Firm PTP																	
77	Tri-State - Hidalgo-Greenlee		60	60	60	60	60	60	60	60	60	60	60	60				
78	PNMM SI-Coronado		0	0	0	0	0	0	0	0	0	0	0	0				
79	B&B Argonne Mesa		90	90	90	90	90	90	90	90	90	90	90	90				
80	EPE FC-WM		104	104	104	104	104	104	104	104	104	104	104	104				
81	NextEra Red Mesa to Four Corners	Note 2	0	0	0	0	0	0	0	0	0	0	0	0				
82	El Paso Electric Company		0	0	20	20	20	20	20	20	20	20	20	20				
83	Pacificorp		0	0	0	0	0	0	0	0	0	0	0	0				
84																		
85	With Losses																	
86	Real Power Loss Rate	3.33%																
87	Real Power Loss Rate (NEC)	3.33%																
88																		
89																	Page 2 of 2	

	A	B	C	D	E	F
1	PNM Exhibit HEM-3					
2	WP AL 3 - Sales Allocator					
3	Hyperlink to Lead Sheet					
4						
5	**Base Period**					
6		Customer Class	Sales to Customer	Off-System Sales	Total	% Allocation
7						
8		PNM Retail (Excluding Economy Service Customers)	8,286,777	684,792	8,971,569	82.17%
9						
10		FERC Generation	485,911	170,894	656,805	6.02%
11		Excluded Sales (PV3)	-	1,289,724	1,289,724	11.81%
12		**Total**	8,772,688	2,145,410	10,918,098	100.00%
13						
14						
15		Note - MWh sales are per the Company's books and records.				
16						
17						
18	**Test Period**					
19		Customer Class	Sales to Customer	Off-System Sales	Total	% Allocation
20						
21		PNM Retail (Excluding Economy Service Customers)	8,284,141	1,146,699	9,430,840	84.86%
22						
23		FERC Generation	411,193	58,767	469,960	4.23%
24		Excluded Sales (PV3)	-	1,212,958	1,212,958	10.91%
25		**Total**	8,695,334	2,418,425	11,113,759	100.00%
26						
27						
28		Note: Please refer to PNM Exhibit SAT-2 WP Fuel-6 for test period MWh.				
29		Base period information is from the Company's books and records.				

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	PNM Exhibit HEM-4													
2	WP AL 4 - Summary of Test Period Allocators													
3	Hyperlink to Lead Sheet													
4														
5				Description	PNM Exhibit SC-6 Generation Demand		PNM Exhibit SC-6 Generation Energy		WP AL-1 Transmission Demand		WP AL-1 Transmission Demand W/O Network		WP AL-3 Sales	
6				PNM Retail	1,483.6	96.23%	8,838,542	95.41%	1,494	60.22%	1,494	76.83%	9,430,840	84.86%
7														
8				FERC									469,960	4.23%
9				Gallup	-	0.00%	-	0.00%	-	0.00%	-	0.00%		
10				NEC	58.1	3.77%	424,763	4.59%	-	0.00%	-	0.00%		
11				Aztec	-	0.00%	-	0.00%	-	0.00%	-	0.00%		
12				Jicarilla	-	0.00%	-	0.00%	-	0.00%	-	0.00%		
13														
14				FERC Transmission	-	0.00%	-	0.00%	987	39.78%	451	23.17%		
15														
16														
17				Total FERC	58.1	3.77%	424,763	4.59%	987	39.78%	451	23.17%	469,960	4.23%
18														
19				Excluded									1,212,958	10.91%
20														
21				Total System	1,541.7	100.00%	9,263,304	100.00%	2,481	100.00%	1,944	100.00%	11,113,759	100.00%
22														
23	Note: Transmission Demand allocators are based on the base period information. PNM is not aware of any changes to the transmission network service customers or													
24	long-term point to point transmission customers, based on the adjusted base period information provided in PNM Exhibit HEM-3 WP AL-2.													

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP CMD

Is contained in the following 4 pages.

	A	B	C	D	E
1	**PNM Exhibit HEM-4**				
2	**WP CMD - Coal Mine Decommissioning**				
3					
4					
5				***Provides Information To***	***Requires Information From***
6	***Tab Reference***	***Description***	***Purpose***	***Tab name***	***Tab name***
7	WP CMD-1	Summary of Coal Mine Decommissioning for the base period, adjusted base period, linkage and test period.	Provides a summary of Coal Mine Decommissioning for base period, linkage and test period.	PNM Exhibit HEM-3 WP COS	WP CMD 2, WP CMD 3
8	WP CMD-2	Coal Mine Decommissioning Normalization	Provides the calculation for the normalization of Coal Mine Decommissioning	WP CMD-1	Manual Inputs
9	WP CMD-3	Coal Mine Decommissioning Levelization Amortization	Provides levelization costs of Coal Mine Decommissioning for test period.	WP CMD-1	WP CMD-1, PNM Exhibit JAP-10, PNM Exhibit HEM-3 COS; Test

	A	B	C	D	E	F	G	H	I	J	K
1	PNM Exhibit HEM-4										
2	WP CMD -1 Coal Mine Decommissioning										
3	Base Period data is historical information from the Company's Books and Records.										
4	Hyperlink to Coal Mine Decommissioning Lead Sheet										
5				WP CMD-2, Column C		WP CMD-3, Column B	WP CMD-3, Column D				
6		Base Period	Base Period Normalization Adjustment	Adjusted Base Period	Linkage Data	Test Period	Test Period Adjustment	Adjusted Test Period	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
7	PNM Retail Share:										
8	100M Reg Asset Amortization-SJ - Note 1	5,239,836		5,239,836	2,619,918	5,239,836		5,239,836	-	0.0%	
9	100M Reg Asset Amortization-FC - Note 1	642,516		642,516	321,258	642,516		642,516	-	0.0%	
10	SJ Underground Amort reg asset	38,160		38,160	19,080	38,160		38,160	-	0.0%	
11	SJ Underground Accretion and Ash Period Costs - Note 2	882,863	28,739	911,603	455,801	967,841	663,941	1,631,783	720,180	79.0%	Primarily Levelization adjustment
12	Coal Mine Decommissioning - Allowed	6,803,375	28,739	6,832,115	3,416,057	6,888,353	663,941	7,552,295	720,180		
13											
14	Disallowed:										
15	SJ Surface Accretion - Note 2	964,298	(723,894)	240,404	120,202	195,739		195,739	(44,666)	-18.6%	Below $100,000 and 6%
16	Four Corners Surface Accretion - Note 2	2,503,960	(1,663,566)	840,394	420,197	898,889		898,889	58,495	7.0%	Below $100,000 and 6%
17	Coal Mine Decommissioning - Disallowed	3,468,258	(2,387,460)	1,080,798	540,399	1,094,627	-	1,094,627	13,830		
18											
19	FERC:										
20	SJ Surface Accretion	68,915	(51,734)	17,181	8,590	7,744		7,744	(9,437)	-54.9%	Below $100,000 and 6%
21	SJ Underground Accretion and Ash Period Costs - Note 2	4,774	60,375	65,149	32,575	37,920	26,013	63,933	(1,216)	-1.9%	Below $100,000 and 6%
22	Four Corners Surface Accretion - Note 2	179,702	(119,642)	60,060	30,030	35,561		35,561	(24,499)	-40.8%	Below $100,000 and 6%
23	Coal Mine Decommissioning - FERC - Note 2	253,391	(111,001)	142,390	71,195	81,225	26,013	107,238	(35,153)		
24											
25											
26	Note 1: $100M Reg Asset Amortization is based on straight-line amortization. See WP RA-11.										
27	Note 2: Please refer to the testimony of PNM Witness Peters for discussion of coal mine decommissioning.										
28	See PNM Exhibit JAP-10 for linkage and test period estimates of accretion expense.										

	A	B	C
1	**PNM Exhibit HEM-4**		
2	**WP CMD - 2 Normalization**		
3	Base Period data is historical information from the Company's Books and Records.		
4	Hyperlink to Coal Mine Decommissioning Lead Sheet		
5			
6			
7			
8		**Note 1**	**Column B * 12**
9		**Mar 2015**	**Annual Amount**
10	**PNM Retail Share:**		
11	100M Reg Asset Amortization-SJ	436,653	5,239,836
12	100M Reg Asset Amortization-FC	53,543	642,516
13	SJ Underground Amort reg asset	3,180	38,160
14	SJ Underground Accretion and Ash Period Costs	75,967	911,603
15	Total Allowed	569,343	6,832,115
16			
17	**Disallowed:**		
18	SJ Surface Accretion	20,034	240,404
19	Four Corners Surface Accretion	70,033	840,394
20	Total Disallowed	90,066	1,080,798
21		659,409	7,912,913
22			-
23	**FERC:**		-
24	SJ Surface Accretion	1,432	17,181
25	SJ Underground Accretion and Ash Period Costs	5,429	65,149
26	Four Corners Surface Accretion	5,005	60,060
27	Total FERC	11,866	142,390
28			
29	Note 1: Reflects accretion expense recorded in March 2015. Please refer to the		
30	testimony of PNM Witness Monroy for further discussion.		

	A	B	C	D	E	F	G	H
1	PNM Exhibit HEM-4							
2	WP CMD -3 Levelization							
3	Base Period data is historical information from the Company's Books and Records.						Page 1 of 1	
4	Hyperlink to Coal Mine Decommissioning Lead Sheet							
5								
6		PNM Exhibit JAP-10						
7	Year	Accretion		Year	Accretion			
8								
9	Oct-15	81,396		2034	1,828,914			
10	Nov-15	81,396		2035	1,901,839			
11	Dec-15	81,396		2036	1,976,632			
12	2015	244,188		2037	2,054,906			
13	Jan-16	84,619		2038	2,136,281			
14	Feb-16	84,619		2039	2,220,877			
15	Mar-16	84,619		2040	2,308,824			
16	Apr-16	84,619		2041	2,400,253			
17	May-16	84,619		2042	2,495,303			
18	Jun-16	84,619		2043	2,594,117			
19	Jul-16	84,619		2044	2,696,845			
20	Aug-16	84,619		2045	2,803,640			
21	Sep-16	84,619		2046	2,893,918			
22	Test Period	1,005,761		2047	2,993,898			
23	Oct-16	84,619		2048	3,097,247			
24	Nov-16	84,619		2049	3,204,086			
25	Dec-16	84,619		2050	3,314,543			
26	2016	1,015,431		2051	3,428,748			
27	2017	1,052,152		2052	3,546,839			
28	2018	1,089,413		2053	3,668,957			
29	2019	1,128,367		2054	3,207,704			
30	2020	1,161,461		2055	2,312,896			
31	2021	1,195,518		2056	1,361,297			
32	2022	1,230,565		2057	828,877			
33	2023	1,266,631		2058	306,266			
34	2024	1,303,746		2059	281,690			
35	2025	1,341,939		2060	255,039			
36	2026	1,381,241		2061	226,200			
37	2027	1,421,685		2062	195,050			
38	2028	1,463,303		2063	161,463			
39	2029	1,506,128		2064	125,307			
40	2030	1,565,771		2065	86,448			
41	2031	1,627,775		2066	44,725			
42	2032	1,692,235		Total	86,905,418			
43	2033	1,759,247						
44								
45								
46				Years	51.25			
47				Levelization	1,695,715			
48				Test Period Accretion	1,005,761			
49				Test Period Adjustment	689,954			
50								
51		Test Period Unadjusted		Test Period Levelization	Reference			
52	Total Company	1,005,761		689,954				
53	PNM Generation Demand Allocator	96.23%		96.23%	PNM Exhibit HEM-3 COS Test, Column J, line 772			
54	Total PNM Retail Share	967,841	WP CMD-1, Column F	663,941	WP CMD-1, Column G			
55	Total FERC Share:	37,920	WP CMD-1, Column F	26,013	WP CMD-1, Column G			

Inflation Escalator Analysis

PNM Exhibit HEM-5

Is contained in the following 1 page.

PNM Exhibit HEM-5

The CPI differs from the GDP deflator in two important ways. First, the CPI measures only the change in the prices of a "basket" of goods consumed by a typical household. Second, the CPI uses base year quantities rather than current year quantities in calculating the price level index value. - *Nominal GDP, Real GDP, and Price Level* , CliffNotes

GDP Deflator for United States, in other Years

Year	(Index, Base Year as per country's accounts = 100)				
2019	120	2.256%	Projection		
2018	117.352	2.114%	Projection		
2017	114.922	2.055%	Projection		
2016	112.608	1.884%	Projection		
2015	110.526	1.848%	Projection		
2014	108.521	1.675%	Actual	1.76%	2010-2014 CAGR
2013	106.733	1.490%		1.65%	2009-2014 CAGR
2012	105.166	1.796%		1.99%	2004-2014 CAGR
2011	103.311	2.064%			
2010	101.222	1.222%			
2009	100	0.760%			
2008	99.246	1.961%			
2007	97.337	2.661%			
2006	94.814	3.073%			
2005	91.987	3.217%			
2004	89.12	2.750%			
2003	86.735				
2002	85.039				
2001	83.753				
2000	81.887				

Inflation, Average Consumer Prices (Indexed to Year 2000) for United States, in other Years

Year	(Index, Base Year 2000 = 100)			
2019	264	2.070%		
2018	258.645	2.120%		
2017	253.276	2.209%		
2016	247.802	2.138%		
2015	242.614	2.126%		
2014	237.563	1.976%	2.16%	2010-2014 CAGR
2013	232.96	1.464%	2.06%	2009-2014 CAGR
2012	229.599	2.075%	2.32%	2004-2014 CAGR
2011	224.932	3.142%		
2010	218.08			
2009	214.565			
2008	215.254			
2007	207.344			
2006	201.558			
2005	195.267			
2004	188.908			
2003	184			
2002	179.867			
2001	177.042			
2000	172.192			

Source: Economy Watch

GDP Deflator http://www.economywatch.com/economic-statistics/United-States/GDP_Deflator/

Inflation, CPI http://www.economywatch.com/economic-statistics/United-States/Inflation_Average_Consumer_Prices_Indexed_to_Year_2000/

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

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

AFFIDAVIT

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

HENRY E. MONROY, Director, Cost of Service and Internal Audit for PNM Resources, Inc., upon being duly sworn according to law, under oath, deposes and states: I have read the foregoing **Direct Testimony and Exhibits of Henry E. Monroy** and it is true and accurate based on my own personal knowledge and belief.

SIGNED this 21st day of August, 2015.

HENRY E. MONROY

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

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

OFFICIAL SEAL
Ronda Morehead
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires: 7/5/19

GCG # 520241