

Fully allocated cost of service study.

PNM 530 Schedules K Series

Schedule K-1: Allocation of Rate Base—jurisdictional.

Schedule K-2: Allocation of Rate Base--functional classification.

Schedule K-3: Allocation of Rate Base--demand, energy, and customer.

Schedule K-4: Allocation of Rate Base to rate classes.

Schedule K-5: Allocation of total expenses—jurisdictional.

Schedule K-6: Allocation of total expenses--functional classification.

Schedule K-7: Allocation of total expenses--demand, energy, and customer.

Schedule K-8: Allocation of total expenses to rate classes.

PNM Schedule K-1

Allocation of Rate Base—jurisdictional.

This schedule is also being provided electronically, see index for location.

	A	B	C	D
1	Public Service Company of New Mexico			
2	Schedule K-1			
3	Allocation of Rate Base - Jurisdictional			
4	Base Period Ending 6/30/2016			
5	Test Period Ending 12/31/2018			
6				
7	Description	Total Company Adjusted Base Period	PNM Retail Adjusted Base Period	Reference
8				
9	Total Net Plant	3,150,495,859	2,574,240,319	PNM Exhibit HEM-3 COS BASE, Column H, Line 84
10				
11	Total Accumulated Deferred Income Taxes	(775,205,032)	(607,093,765)	PNM Exhibit HEM-3 COS BASE, Column H, Line 132
12				
13	Total Regulatory Assets & Liabilities	(7,794,909)	18,323,517	PNM Exhibit HEM-3 COS BASE, Column H, Line 149
14				
15	Total Other Rate Base Items	182,187,891	165,246,525	PNM Exhibit HEM-3 COS BASE, Column H, Line 183
16				
17	Total Working Capital	221,128,886	177,098,073	PNM Exhibit HEM-3 COS BASE, Column H, Line 210
18				
19	Total Rate Base	2,770,812,695	2,327,814,669	PNM Exhibit HEM-3 COS BASE, Column H, Line 214
20				
21				
22				
23	This Schedule is sponsored by PNM Witness Monroy			

	A	E	F	G
1	Public Service Company of New Mexico			
2	Schedule K-1			
3	Allocation of Rate Base - Jurisdictional			
4	Base Period Ending 6/30/2016			
5	Test Period Ending 12/31/2018			
6				
7	Description	Total Company Test Period	PNM Retail Test Period	Reference
8				
9	Total Net Plant	3,212,932,622	2,720,021,940	PNM Exhibit HEM-3 COS Test, Column J, Line 84
10				
11	Total Accumulated Deferred Income Taxes	(948,653,833)	(828,510,793)	PNM Exhibit HEM-3 COS Test, Column J, Line 132
12				
13	Total Regulatory Assets & Liabilities	122,365,434	143,169,995	PNM Exhibit HEM-3 COS Test, Column J, Line 149
14				
15	Total Other Rate Base Items	191,899,852	155,511,769	PNM Exhibit HEM-3 COS Test, Column J, Line 183
16				
17	Total Working Capital	195,028,307	191,007,376	PNM Exhibit HEM-3 COS Test, Column J, Line 210
18				
19	Total Rate Base	2,773,572,382	2,381,200,287	PNM Exhibit HEM-3 COS Test, Column J, Line 214
20				
21				
22				
23	This Schedule is sponsored by PNM Witness Monroy			

	A	H	I	J	K
1	Public Service Company of New Mexico				
2	Schedule K-1				
3	Allocation of Rate Base - Jurisdictional				
4	Base Period Ending 6/30/2016				
5	Test Period Ending 12/31/2018				
6		Per 17.1.3.16.C(1) NMAC			
7	Description	Total Company Linkage Period 1	PNM Retail Linkage Period 1	Total Company Linkage Period 2	PNM Retail Linkage Period 2
8					
9	Total Net Plant	3,259,113,187	2,809,173,597	3,151,927,277	2,673,553,558
10					
11	Total Accumulated Deferred Income Taxes	(880,367,005)	(773,140,089)	(932,489,252)	(813,087,504)
12					
13	Total Regulatory Assets & Liabilities	(7,600,218)	14,264,865	120,918,793	142,301,821
14					
15	Total Other Rate Base Items	200,783,428	166,663,810	203,517,640	168,618,099
16					
17	Total Working Capital	219,372,659	215,029,633	207,234,450	203,097,246
18					
19	Total Rate Base	2,791,302,051	2,431,991,816	2,751,108,909	2,374,483,219
20					
21					
22					
23	This Schedule is sponsored by PNM Witness Monroy				Schedule K-1 Page 3 of 4

Public Service Company of New Mexico
Schedule K-1 Notes
Allocation of Rate Base - Jurisdictional
Base Period Ending 6/30/2016
Test Period Ending 12/31/2018

Notes:

Linkage Data is provided for PNM Retail, at a summary level, pursuant to 17.1.3.16.C(1) NMAC based on test period allocators.

Please refer to PNM Exhibit HEM-3 for base period, adjustments to base period, and test period information.

Please refer to PNM Exhibit HEM-4 and the testimony of PNM Witness Monroy for further discussion of base period adjustments and adjustments from base period to test period, including the development of linkage data.

PNM did not reflect any CWIP balances in the Linkage data or Test Period.

PNM Schedule K-2

Allocation of Rate Base--functional classification.

This schedule is also being provided electronically, see index for location.

Public Service Company of New Mexico
K-2 Allocation of Rate Base - Functional Classification
Base Period Ending 6/30/2016
Test Period Ending 12/31/2018

A	B	C	D	E	F
1 (a) Base Period					
2 Description	Total ⁽¹⁾	Production ⁽²⁾	Transmission ⁽³⁾	Distribution ⁽⁴⁾	Customer ⁽⁵⁾
3 Net Plant in Service	\$ 2,574,240,319	\$ 1,406,417,866	\$ 310,371,881	\$ 690,138,954	\$ 167,311,617
4 Accumulated Deferred Income Taxes	\$ (607,093,765)	\$ (376,645,722)	\$ (53,153,351)	\$ (139,460,709)	\$ (37,833,983)
5 Regulatory Assets & Liabilities	\$ 18,323,517	\$ 7,641,339	\$ 1,831,726	\$ 4,073,004	\$ 4,777,448
6 Other Rate Base Items	\$ 165,246,525	\$ 59,261,350	\$ 40,647,147	\$ 27,035,365	\$ 38,302,662
7 Working Capital	\$ 177,098,073	\$ 160,799,602	\$ 6,672,460	\$ 7,951,831	\$ 1,674,179
8 TOTAL RATE BASE	\$ 2,327,814,669	\$ 1,257,474,436	\$ 306,369,864	\$ 589,738,446	\$ 174,231,923
9					
10					
11 (b) Test Period					
12 Description	Total ⁽⁶⁾	Production ⁽⁷⁾	Transmission ⁽⁸⁾	Distribution ⁽⁹⁾	Customer ⁽¹⁰⁾
13 Net Plant in Service	\$ 2,720,021,940	\$ 1,457,465,449	\$ 337,495,877	\$ 742,487,729	\$ 182,572,885
14 Accumulated Deferred Income Taxes	\$ (828,510,793)	\$ (532,507,507)	\$ (72,392,984)	\$ (182,129,853)	\$ (41,480,449)
15 Regulatory Assets & Liabilities	\$ 143,169,995	\$ 135,717,655	\$ 1,675,497	\$ 3,686,078	\$ 2,090,765
16 Other Rate Base Items	\$ 155,511,769	\$ 56,479,919	\$ 42,202,387	\$ 25,224,482	\$ 31,604,981
17 Working Capital	\$ 191,007,376	\$ 176,504,591	\$ 4,640,750	\$ 8,098,381	\$ 1,763,653
18 TOTAL RATE BASE	\$ 2,381,200,287	\$ 1,293,660,107	\$ 313,621,526	\$ 597,366,818	\$ 176,551,836

(c) Explanation of adjustments

Please refer to PNM Exhibit HEM-3 and the testimony of PNM Witness Monroy for further discussion of Base Period adjustments and adjustments from Adjusted Base Period to Test Period.

Reference:

- (1)PNM Exhibit SAV-4, Page 81, Column 1, Lines 5-11
- (2)PNM Exhibit SAV-4, Page 81, Sum of Columns 3 & 6, Lines 5-11
- (3)PNM Exhibit SAV-4, Page 81, Column 7, Lines 5-11
- (4)PNM Exhibit SAV-4, Page 81, Column 8, Lines 5-11
- (5)PNM Exhibit SAV-4, Page 81, Column 4, Lines 5-11
- (6)PNM Exhibit SAV-4, Page 215, Column 1, Lines 5-11
- (7)PNM Exhibit SAV-4, Page 215, Sum of Columns 3 & 6, Lines 5-11
- (8)PNM Exhibit SAV-4, Page 215, Column 7, Lines 5-11
- (9)PNM Exhibit SAV-4, Page 215, Column 8, Lines 5-11
- (10)PNM Exhibit SAV-4, Page 215, Column 4, Lines 5-11

PNM Schedule K-3

Allocation of Rate Base--demand, energy, and customer.

This schedule is also being provided electronically, see index for location.

Public Service Company of New Mexico
K-3 Allocation of Rate Base - Demand, Energy and Customer
Base Period Ending 6/30/2016
Test Period Ending 12/31/2018

A	B	C	D	E
1 (a) Base Period				
2 Description	Total ⁽¹⁾	Demand ⁽²⁾	Energy ⁽³⁾	Customer ⁽⁴⁾
3 Net Plant in Service	\$ 2,574,240,319	\$ 2,406,928,702	\$ -	\$ 167,311,617
4 Accumulated Deferred Income Taxes	\$ (607,093,765)	\$ (578,731,317)	\$ 9,471,535	\$ (37,833,983)
5 Regulatory Assets & Liabilities	\$ 18,323,517	\$ 13,546,069	\$ -	\$ 4,777,448
6 Other Rate Base Items	\$ 165,246,525	\$ 124,306,307	\$ 2,637,556	\$ 38,302,662
7 Working Capital	\$ 177,098,073	\$ 99,401,863	\$ 76,022,031	\$ 1,674,179
8 TOTAL RATE BASE	\$ 2,327,814,669	\$ 2,065,451,624	\$ 88,131,122	\$ 174,231,923
9				
10				
11 (b) Test Period				
12 Description	Total ⁽⁵⁾	Demand ⁽⁶⁾	Energy ⁽⁷⁾	Customer ⁽⁸⁾
13 Net Plant in Service	\$ 2,720,021,940	\$ 2,537,449,055	\$ -	\$ 182,572,885
14 Accumulated Deferred Income Taxes	\$ (828,510,793)	\$ (796,169,400)	\$ 9,139,056	\$ (41,480,449)
15 Regulatory Assets & Liabilities	\$ 143,169,995	\$ 141,079,231	\$ -	\$ 2,090,765
16 Other Rate Base Items	\$ 155,511,769	\$ 121,464,586	\$ 2,442,201	\$ 31,604,981
17 Working Capital	\$ 191,007,376	\$ 82,691,428	\$ 106,552,294	\$ 1,763,653
18 TOTAL RATE BASE	\$ 2,381,200,287	\$ 2,086,514,900	\$ 118,133,552	\$ 176,551,836

(c) Explanation of adjustments

Classification of costs between demand, energy, and customer did not change between Base Period and Test Period. Please see Schedule M-1. Please refer to PNM Exhibit HEM-3 and the testimony of PNM Witness Monroy for further discussion of Base Period adjustments and adjustments from Adjusted Base Period to Test Period.

Reference:

- (1)PNM Exhibit SAV-4, Page 81, Column 1, Lines 5-11
- (2)PNM Exhibit SAV-4, Page 81, Column 2, Lines 5-11
- (3)PNM Exhibit SAV-4, Page 81, Column 3, Lines 5-11
- (4)PNM Exhibit SAV-4, Page 81, Column 4, Lines 5-11
- (5)PNM Exhibit SAV-4, Page 215, Column 1, Lines 5-11
- (6)PNM Exhibit SAV-4, Page 215, Column 2, Lines 5-11
- (7)PNM Exhibit SAV-4, Page 215, Column 3, Lines 5-11
- (8)PNM Exhibit SAV-4, Page 215, Column 4, Lines 5-11

PNM Schedule K-4

Allocation of Rate Base to rate classes.

This schedule is also being provided electronically, see index for location.

Public Service Company of New Mexico
Schedule K-4 Allocation of Rate Base to Rate Classes
Base Period Ending 6/30/2016
Test Period Ending 12/31/2018

A	B	C	D	E	F	G	H	I
1 (a) Base Period								
2 Description	Total	Residential	Small Power	General Power	General Power LLF	Large Power	Mines	Irrigation
3 Net Plant in Service ⁽¹⁾	\$ 2,574,240,319	\$ 1,342,339,344	\$ 339,571,761	\$ 418,651,277	\$ 57,357,884	\$ 242,535,911	\$ 11,764,637	\$ 7,451,252
4 Accum Deferred Income Taxes ⁽²⁾	\$ (607,093,765)	\$ (316,357,443)	\$ (80,195,668)	\$ (98,386,943)	\$ (13,318,982)	\$ (57,633,401)	\$ (2,821,139)	\$ (1,706,400)
5 Regulatory Assets & Liabilities ⁽³⁾	\$ 18,323,517	\$ 9,395,641	\$ 2,467,173	\$ 3,041,753	\$ 443,720	\$ 1,721,621	\$ 90,801	\$ 52,055
6 Other Rate Base Items ⁽⁴⁾	\$ 165,246,525	\$ 94,433,103	\$ 21,584,776	\$ 20,755,836	\$ 2,938,120	\$ 13,677,377	\$ 698,019	\$ 469,757
7 Working Capital ⁽⁵⁾	\$ 177,098,073	\$ 80,233,903	\$ 21,848,717	\$ 32,269,171	\$ 3,982,460	\$ 21,133,565	\$ 1,405,951	\$ 455,608
8 TOTAL RATE BASE ⁽⁶⁾	\$ 2,327,814,669	\$ 1,210,044,548	\$ 305,276,759	\$ 376,331,093	\$ 51,403,200	\$ 221,435,074	\$ 11,138,270	\$ 6,722,271
10 (b) Test Period								
11 Description	Total	Residential	Small Power	General Power	General Power LLF	Large Power	Mines	Irrigation
12 Net Plant in Service ⁽⁷⁾	\$ 2,720,021,940	\$ 1,393,777,463	\$ 372,181,866	\$ 444,620,593	\$ 61,137,662	\$ 262,649,236	\$ 12,374,632	\$ 9,310,983
13 Accum Deferred Income Taxes ⁽⁸⁾	\$ (828,510,793)	\$ (420,478,839)	\$ (113,611,654)	\$ (136,893,761)	\$ (18,397,481)	\$ (82,469,224)	\$ (4,002,190)	\$ (2,739,864)
14 Regulatory Assets & Liabilities ⁽⁹⁾	\$ 143,169,995	\$ 70,463,590	\$ 19,388,934	\$ 24,390,202	\$ 3,017,349	\$ 15,765,289	\$ 855,082	\$ 401,500
15 Other Rate Base Items ⁽¹⁰⁾	\$ 155,511,769	\$ 85,784,881	\$ 20,745,839	\$ 20,336,448	\$ 2,831,829	\$ 13,990,186	\$ 729,046	\$ 498,493
16 Working Capital ⁽¹¹⁾	\$ 191,007,376	\$ 83,157,630	\$ 23,397,420	\$ 35,706,588	\$ 4,553,066	\$ 23,856,059	\$ 1,492,625	\$ 557,732
17 TOTAL RATE BASE ⁽¹²⁾	\$ 2,381,200,287	\$ 1,212,704,725	\$ 322,102,405	\$ 388,160,071	\$ 53,142,425	\$ 233,791,548	\$ 11,449,194	\$ 8,028,844

(c) Explanation of adjustments

Class allocation factors change between Base Period and Test Period due to differing sales, load and customer counts. Please refer to Schedule M-1.

Please refer to PNM Exhibit HEM-3 and the testimony of PNM Witness Monroy for further discussion of Base Period adjustments and adjustments from Adjusted Base Period to Test Period.

Reference:

- (1)PNM Exhibit SAV-4, Pages 1-2, Line 5
- (2)PNM Exhibit SAV-4, Pages 1-2, Line 6
- (3)PNM Exhibit SAV-4, Pages 1-2, Line 7
- (4)PNM Exhibit SAV-4, Pages 1-2, Line 8
- (5)PNM Exhibit SAV-4, Pages 1-2, Line 9
- (6)PNM Exhibit SAV-4, Pages 1-2, Line 11
- (7)PNM Exhibit SAV-4, Pages 135-136, Line 5
- (8)PNM Exhibit SAV-4, Pages 135-136, Line 6
- (9)PNM Exhibit SAV-4, Pages 135-136, Line 7
- (10)PNM Exhibit SAV-4, Pages 135-136, Line 8
- (11)PNM Exhibit SAV-4, Pages 135-136, Line 9
- (12)PNM Exhibit SAV-4, Pages 135-136, Line 11

Public Service Company of New Mexico
Schedule K-4 Allocation of Rate Base to
Base Period Ending 6/30/2016
Test Period Ending 12/31/2018

A	J	K	L	M	N	O	P	Q
1 (a) Base Period								
2 Description	Water & Sewage	Universities	Manufacturing	Station Service	Large Power >3,000kW	Special Service Rate Renew. Energy Res.	Private Area Lighting	Streetlighting
3 Net Plant in Service ⁽¹⁾	\$ 31,922,312	\$ 10,176,939	\$ 58,710,449	\$ 389,916	\$ 29,214,617	\$ -	\$ 3,373,356	\$ 20,780,665
4 Accum Deferred Income Taxes ⁽²⁾	\$ (7,255,803)	\$ (2,505,784)	\$ (14,225,834)	\$ (95,159)	\$ (7,074,418)	\$ -	\$ (843,810)	\$ (4,672,981)
5 Regulatory Assets & Liabilities ⁽³⁾	\$ 228,062	\$ 78,975	\$ 413,720	\$ 3,191	\$ 194,260	\$ -	\$ 33,933	\$ 158,613
6 Other Rate Base Items ⁽⁴⁾	\$ 1,887,320	\$ 619,553	\$ 3,505,696	\$ 25,332	\$ 1,746,339	\$ -	\$ 644,403	\$ 2,260,894
7 Working Capital ⁽⁵⁾	\$ 2,860,439	\$ 1,269,252	\$ 7,053,297	\$ 54,662	\$ 3,478,056	\$ -	\$ 223,835	\$ 829,156
8 TOTAL RATE BASE ⁽⁶⁾	\$ 29,642,330	\$ 9,638,934	\$ 55,457,328	\$ 377,942	\$ 27,558,855	\$ -	\$ 3,431,717	\$ 19,356,347

10 (b) Test Period

11 Description	Water & Sewage	Universities	Manufacturing	Station Service	Large Power >3,000kW	Special Service Rate Renew. Energy Res.	Private Area Lighting	Streetlighting
12 Net Plant in Service ⁽⁷⁾	\$ 40,290,369	\$ 11,380,015	\$ 52,942,865	\$ 415,840	\$ 30,720,603	\$ 4,560,632	\$ 3,033,857	\$ 20,625,322
13 Accum Deferred Income Taxes ⁽⁸⁾	\$ (11,557,653)	\$ (3,796,716)	\$ (17,131,882)	\$ (137,388)	\$ (9,955,141)	\$ (925,996)	\$ (894,630)	\$ (5,518,375)
14 Regulatory Assets & Liabilities ⁽⁹⁾	\$ 1,606,920	\$ 872,578	\$ 3,732,641	\$ 31,485	\$ 2,169,545	\$ 24,825	\$ 94,217	\$ 355,839
15 Other Rate Base Items ⁽¹⁰⁾	\$ 2,075,300	\$ 656,239	\$ 3,123,233	\$ 25,217	\$ 1,803,047	\$ 591,295	\$ 518,739	\$ 1,801,977
16 Working Capital ⁽¹¹⁾	\$ 3,459,227	\$ 1,418,121	\$ 7,313,342	\$ 60,754	\$ 4,172,038	\$ 610,911	\$ 270,719	\$ 981,144
17 TOTAL RATE BASE ⁽¹²⁾	\$ 35,874,163	\$ 10,530,237	\$ 49,980,198	\$ 395,909	\$ 28,910,092	\$ 4,861,667	\$ 3,022,902	\$ 18,245,906

(c) Explanation of adjustments

Class allocation factors change between
Please refer to PNM Exhibit HEM-3 and t

Reference:

- (1)PNM Exhibit SAV-4, Pages 1-2, Line 5
- (2)PNM Exhibit SAV-4, Pages 1-2, Line 6
- (3)PNM Exhibit SAV-4, Pages 1-2, Line 7
- (4)PNM Exhibit SAV-4, Pages 1-2, Line 8
- (5)PNM Exhibit SAV-4, Pages 1-2, Line 9
- (6)PNM Exhibit SAV-4, Pages 1-2, Line 11
- (7)PNM Exhibit SAV-4, Pages 135-136, Li
- (8)PNM Exhibit SAV-4, Pages 135-136, Li
- (9)PNM Exhibit SAV-4, Pages 135-136, Li
- (10)PNM Exhibit SAV-4, Pages 135-136, l
- (11)PNM Exhibit SAV-4, Pages 135-136, l
- (12)PNM Exhibit SAV-4, Pages 135-136, l

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PNM Schedule K-5

Allocation of total expenses—jurisdictional.

This schedule is also being provided electronically, see index for location.

	A	B	C	D
1	Public Service Company of New Mexico			
2	Schedule K-5			
3	Allocation of Total Expenses - Jurisdictional			
4	Base Period Ending 6/30/2016			
5	Test Period Ending 12/31/2018			
6				
7	Description	Total Company Adjusted Base Period	PNM Retail Adjusted Base Period	Reference
8	Fuel Related Expenses			
9	Total Fuel (Net OSS)	177,765,701	177,752,491	PNM Exhibit HEM-3 COS BASE, Line 245
10	Total Non-Fuel Items	53,402,463	38,334,100	PNM Exhibit HEM-3 COS BASE, Line 263
11	Total Fuel Related Expense	231,168,164	216,086,591	PNM Exhibit HEM-3 COS BASE, Line 265
12				
13	Operating and Maintenance Expenses (O&M)			
14	Total Production O&M	146,427,570	122,556,150	PNM Exhibit HEM-3 COS BASE, Line 305
15	Total Transmission O&M	39,110,485	28,607,319	PNM Exhibit HEM-3 COS BASE, Line 332
16	Total Distribution O&M	22,464,056	22,464,056	PNM Exhibit HEM-3 COS BASE, Line 361
17	Total Customer Related O&M	20,511,419	19,826,093	PNM Exhibit HEM-3 COS BASE, Line 377
18	Total Administrative & General Expense	87,875,330	80,405,562	PNM Exhibit HEM-3 COS BASE, Line 418
19	Total Operating and Maintenance Expenses	316,388,860	273,859,180	
20				
21	Total Depreciation and Amortization Expense	149,294,559	124,925,643	PNM Exhibit HEM-3 COS BASE, Line 474
22	Total General Taxes	40,596,376	33,675,661	PNM Exhibit HEM-3 COS BASE, Line 548
23	Total Other Allowable Expenses	8,973,878	7,363,291	PNM Exhibit HEM-3 COS BASE, Line 566
24				
25	Total Expenses	746,421,838	655,910,366	PNM Exhibit HEM-3 COS BASE, Line 569
26				
27	Return On Rate Base	211,357,112	177,565,299	PNM Exhibit HEM-3 COS BASE, Line 574
28	Federal Income Tax	61,900,473	51,978,538	PNM Exhibit HEM-3 COS BASE, Line 655
29	State Income Tax	13,976,134	12,823,151	PNM Exhibit HEM-3 COS BASE, Line 657
30	Revenue Credits	(15,237,320)	(14,444,080)	PNM Exhibit HEM-3 COS BASE, Line 680
31	Revenue Tax	5,179,400	4,494,937	PNM Exhibit HEM-3 COS BASE, Line 685
32				
33	Total Revenue Requirement	1,023,597,637	888,328,212	PNM Exhibit HEM-3 COS BASE, Line 689
34				
35				
36				
37	This schedule is sponsored by PNM Witness Monroy			

	A	E	F	G
1	Public Service Company of New Mexico			
2	Schedule K-5			
3	Allocation of Total Expenses - Jurisdictional			
4	Base Period Ending 6/30/2016			
5	Test Period Ending 12/31/2018			
6				
7	Description	Total Company Test Period	PNM Retail Test Period	Reference
8	Fuel Related Expenses			
9	Total Fuel (Net OSS)	168,369,730	140,986,737	PNM Exhibit HEM-3 COS Test, Line 245
10	Total Non-Fuel Items	49,988,995	39,938,553	PNM Exhibit HEM-3 COS Test, Line 263
11	Total Fuel Related Expense	218,358,725	180,925,290	PNM Exhibit HEM-3 COS Test, Line 265
12				
13	Operating and Maintenance Expenses (O&M)			
14	Total Production O&M	153,867,190	147,104,774	PNM Exhibit HEM-3 COS Test, Line 305
15	Total Transmission O&M	47,811,590	35,923,394	PNM Exhibit HEM-3 COS Test, Line 332
16	Total Distribution O&M	21,244,433	21,244,433	PNM Exhibit HEM-3 COS Test, Line 361
17	Total Customer Related O&M	21,288,211	21,099,304	PNM Exhibit HEM-3 COS Test, Line 377
18	Total Administrative & General Expense	102,318,594	96,582,616	PNM Exhibit HEM-3 COS Test, Line 418
19	Total Operating and Maintenance Expenses	346,530,019	321,954,522	
20				
21	Total Depreciation and Amortization Expense	153,053,135	131,311,805	PNM Exhibit HEM-3 COS Test, Line 474
22	Total General Taxes	44,267,297	37,944,740	PNM Exhibit HEM-3 COS Test, Line 548
23	Total Other Allowable Expenses	17,003,617	18,160,549	PNM Exhibit HEM-3 COS Test, Line 566
24				
25	Total Expenses	779,212,793	690,296,906	PNM Exhibit HEM-3 COS Test, Line 569
26				
27	Return On Rate Base	208,201,016	178,747,208	PNM Exhibit HEM-3 COS Test, Line 574
28	Federal Income Tax	72,634,277	62,313,020	PNM Exhibit HEM-3 COS Test, Line 655
29	State Income Tax	12,116,845	11,260,496	PNM Exhibit HEM-3 COS Test, Line 657
30	Revenue Credits	(15,668,379)	(14,712,587)	PNM Exhibit HEM-3 COS Test, Line 680
31	Revenue Tax	5,373,056	4,719,075	PNM Exhibit HEM-3 COS Test, Line 685
32				
33	Total Revenue Requirement	1,061,869,608	932,624,117	PNM Exhibit HEM-3 COS Test, Line 689
34				
35				
36				
37	This schedule is sponsored by PNM Witness Monroy			

	A	H	I	J	K
1	Public Service Company of New Mexico				
2	Schedule K-5				
3	Allocation of Total Expenses - Jurisdictional				
4	Base Period Ending 6/30/2016				
5	Test Period Ending 12/31/2018				
6		Per 17.1.3.16.B NMAC			
7	Description	Total Company Linkage Period 1	PNM Retail Linkage Period 1	Total Company Linkage Period 2	PNM Retail Linkage Period 2
8	Fuel Related Expenses				
9	Total Fuel (Net OSS)	153,428,875	146,726,411	146,172,535	143,110,672
10	Total Non-Fuel Items	49,337,262	38,903,188	49,275,249	39,318,195
11	Total Fuel Related Expense	202,766,137	185,629,599	195,447,784	182,428,867
12					
13	Operating and Maintenance Expenses (O&M)				
14	Total Production O&M	145,935,954	144,346,759	145,390,930	143,800,070
15	Total Transmission O&M	40,078,798	28,637,934	40,651,229	29,223,649
16	Total Distribution O&M	21,460,013	21,460,013	20,792,299	20,792,299
17	Total Customer Related O&M	20,647,052	20,465,353	20,795,716	20,612,187
18	Total Administrative & General Expense	87,118,361	84,875,548	87,881,242	85,803,133
19	Total Operating and Maintenance Expenses	315,240,179	299,785,608	315,511,416	300,231,339
20					
21	Total Depreciation and Amortization Expense	144,087,298	125,162,664	151,940,450	131,834,701
22	Total General Taxes	42,115,083	36,504,722	43,528,336	37,615,074
23	Total Other Allowable Expenses	9,585,135	10,742,067	9,797,586	10,954,518
24					
25	Total Expenses	713,793,832	657,824,659	716,225,572	663,064,499
26					
27	Return On Rate Base	209,531,911	182,559,925	206,514,773	178,242,984
28	Federal Income Tax	73,115,514	63,691,199	72,024,550	62,130,605
29	State Income Tax	12,197,958	11,505,415	12,014,052	11,232,298
30	Revenue Credits	(15,237,320)	(14,390,941)	(15,237,320)	(14,391,702)
31	Revenue Tax	5,052,174	4,583,210	5,042,713	4,578,574
32					
33	Total Revenue Requirement	998,454,069	905,773,468	996,584,341	904,857,258
34					
35					
36					
37	This schedule is sponsored by PNM Witness Monroy				Schedule K-5 Page 3 of 4

Public Service Company of New Mexico

Schedule K-5 Notes

Allocation of Total Expenses - Jurisdictional

Base Period Ending 6/30/2016

Test Period Ending 12/31/2018

Notes:

Linkage Data is provided for PNM Retail, at a summary level, pursuant to 17.1.3.16.B NMAC based on test period allocators.

Please refer to PNM Exhibit HEM-3 for base period, adjustments to base period, and test period information.

Please refer to PNM Exhibit HEM-4 and the testimony of PNM Witness Monroy for further discussion of base period adjustments and adjustments from base period to test period, including the development of linkage data.

PNM Schedule K-6

Allocation of total expenses--functional classification.

This schedule is also being provided electronically, see index for location.

Public Service Company of New Mexico
K-6 Allocation of Total Expenses - Functional Classification
Base Period Ending 6/30/2016
Test Period Ending 12/31/2018

A	B	C	D	E	F
	Total ⁽¹⁾	Production ⁽²⁾	Transmission ⁽³⁾	Distribution ⁽⁴⁾	Customer ⁽⁵⁾
1 (a) Base Period					
2 Operation & Maintenance Expenses Excluding Base Fuel	\$ 312,193,280	\$ 191,337,665	\$ 31,322,263	\$ 34,868,919	\$ 54,664,434
3 Operation & Maintenance Expense - Base Fuel	\$ 177,752,491	\$ 177,752,491	\$ -	\$ -	\$ -
4 Depreciation & Amortization Expense	\$ 124,925,643	\$ 60,516,799	\$ 15,214,559	\$ 31,946,210	\$ 17,248,075
5 General Taxes	\$ 33,675,661	\$ 17,943,891	\$ 3,726,297	\$ 8,614,184	\$ 3,391,289
6 Other Allowable Expenses	\$ 7,363,291	\$ 6,451,347	\$ 148,968	\$ 427,224	\$ 335,752
7 Net Allowable Federal Income Tax	\$ 51,978,538	\$ 27,396,048	\$ 7,104,058	\$ 13,540,997	\$ 3,937,435
8 Net Allowable State Income Tax	\$ 12,823,151	\$ 6,918,064	\$ 1,672,502	\$ 3,285,326	\$ 947,259
9 Revenue Tax	\$ 4,494,937	\$ 2,939,941	\$ 398,322	\$ 682,252	\$ 474,423
10 Less: Revenue Credits - Other Operating Revenue	\$ (14,444,080)	\$ (6,159,774)	\$ (4,237,020)	\$ (3,517,840)	\$ (529,446)
11 TOTAL EXPENSES	\$ 710,762,913	\$ 485,096,472	\$ 55,349,949	\$ 89,847,271	\$ 80,469,221
12					
13					
14 (b) Test Period	Total ⁽⁶⁾	Production ⁽⁷⁾	Transmission ⁽⁸⁾	Distribution ⁽⁹⁾	Customer ⁽¹⁰⁾
15 Operation & Maintenance Expenses Excluding Base Fuel	\$ 361,893,074	\$ 230,997,921	\$ 39,411,672	\$ 33,984,031	\$ 57,499,451
16 Operation & Maintenance Expense - Base Fuel	\$ 140,986,737	\$ 140,986,737	\$ -	\$ -	\$ -
17 Depreciation & Amortization Expense	\$ 131,311,805	\$ 60,499,238	\$ 15,564,410	\$ 35,134,614	\$ 20,113,542
18 General Taxes	\$ 37,944,740	\$ 19,977,387	\$ 4,260,607	\$ 9,826,668	\$ 3,880,078
19 Other Allowable Expenses	\$ 18,160,549	\$ 16,151,232	\$ 206,640	\$ 547,011	\$ 1,255,666
20 Net Allowable Federal Income Tax	\$ 62,313,020	\$ 33,599,714	\$ 8,301,989	\$ 15,749,738	\$ 4,661,579
21 Net Allowable State Income Tax	\$ 11,260,496	\$ 6,116,809	\$ 1,478,704	\$ 2,829,720	\$ 835,264
22 Revenue Tax	\$ 4,719,075	\$ 3,046,976	\$ 449,979	\$ 708,482	\$ 513,637
23 Less: Revenue Credits - Other Operating Revenue	\$ (14,712,587)	\$ (6,316,318)	\$ (4,287,522)	\$ (3,605,849)	\$ (502,898)
24 TOTAL EXPENSES	\$ 753,876,909	\$ 505,059,696	\$ 65,386,479	\$ 95,174,414	\$ 88,256,320

(c) Explanation of adjustments

Please refer to PNM Exhibit HEM-3 and the testimony of PNM Witness Monroy for further discussion of Base Period adjustments and adjustments from Adjusted Base Period to Test Period.

Reference:

- (1)PNM Exhibit SAV-4, Page 84, Column 1, Lines 16-23, Less line 12
- (2)PNM Exhibit SAV-4, Page 84, Sum of Columns 3 & 6, Lines 16-23, Less line 12
- (3)PNM Exhibit SAV-4, Page 84, Column 7, Lines 16-23, Less line 12
- (4)PNM Exhibit SAV-4, Page 84, Column 8, Lines 16-23, Less line 12
- (5)PNM Exhibit SAV-4, Page 84, Column 4, Lines 16-23, Less line 12
- (6)PNM Exhibit SAV-4, Page 218, Column 1, Lines 16-23, Less line 12
- (7)PNM Exhibit SAV-4, Page 218, Sum of Columns 3 & 6, Lines 16-23, Less line 12
- (8)PNM Exhibit SAV-4, Page 218, Column 7, Lines 16-23, Less line 12
- (9)PNM Exhibit SAV-4, Page 218, Column 8, Lines 16-23, Less line 12
- (10)PNM Exhibit SAV-4, Page 218, Column 4, Lines 16-23, Less line 12

PNM Schedule K-7

Allocation of total expenses--demand, energy, and customer.

This schedule is also being provided electronically, see index for location.

Public Service Company of New Mexico
K-7 Allocation of Total Expenses - Demand, Energy and Customer
Base Period Ending 6/30/2016
Test Period Ending 12/31/2018

A	B	C	D	E
	Total ⁽¹⁾	Demand ⁽²⁾	Energy ⁽³⁾	Customer ⁽⁴⁾
1 (a) Base Period				
2 Operation & Maintenance Expenses Excluding Base Fuel	\$ 312,193,280	\$ 219,194,746	\$ 38,334,100	\$ 54,664,434
3 Operation & Maintenance Expense - Base Fuel	\$ 177,752,491	\$ -	\$ 177,752,491	\$ -
4 Depreciation & Amortization Expense	\$ 124,925,643	\$ 107,677,569	\$ -	\$ 17,248,075
5 General Taxes	\$ 33,675,661	\$ 30,284,371	\$ -	\$ 3,391,289
6 Other Allowable Expenses	\$ 7,363,291	\$ 7,027,538	\$ -	\$ 335,752
7 Net Allowable Federal Income Tax	\$ 51,978,538	\$ 45,874,760	\$ 2,166,342	\$ 3,937,435
8 Net Allowable State Income Tax	\$ 12,823,151	\$ 11,458,098	\$ 417,795	\$ 947,259
9 Revenue Tax	\$ 4,494,937	\$ 2,874,224	\$ 1,146,290	\$ 474,423
10 Less: Revenue Credits - Other Operating Revenue	\$ (14,444,080)	\$ (13,914,633)	\$ -	\$ (529,446)
11 TOTAL EXPENSES	\$ 710,762,913	\$ 410,476,674	\$ 219,817,018	\$ 80,469,221
12				
13				
14 (b) Test Period	Total ⁽⁵⁾	Demand ⁽⁶⁾	Energy ⁽⁷⁾	Customer ⁽⁸⁾
15 Operation & Maintenance Expenses Excluding Base Fuel	\$ 361,893,074	\$ 264,455,071	\$ 39,938,553	\$ 57,499,451
16 Operation & Maintenance Expense - Base Fuel	\$ 140,986,737	\$ -	\$ 140,986,737	\$ -
17 Depreciation & Amortization Expense	\$ 131,311,805	\$ 111,198,262	\$ -	\$ 20,113,542
18 General Taxes	\$ 37,944,740	\$ 34,064,662	\$ -	\$ 3,880,078
19 Other Allowable Expenses	\$ 18,160,549	\$ 16,294,332	\$ 610,550	\$ 1,255,666
20 Net Allowable Federal Income Tax	\$ 62,313,020	\$ 54,444,937	\$ 3,206,505	\$ 4,661,579
21 Net Allowable State Income Tax	\$ 11,260,496	\$ 9,884,707	\$ 540,525	\$ 835,264
22 Revenue Tax	\$ 4,719,075	\$ 3,218,040	\$ 987,398	\$ 513,637
23 Less: Revenue Credits - Other Operating Revenue	\$ (14,712,587)	\$ (14,209,689)	\$ -	\$ (502,898)
24 TOTAL EXPENSES	\$ 753,876,909	\$ 479,350,321	\$ 186,270,268	\$ 88,256,320

(c) Explanation of adjustments

Classification of costs between demand, energy, and customer did not change between Base Period and Test Period. Please see Schedule M-1.
Please refer to PNM Exhibit HEM-3 and the testimony of PNM Witness Monroy for further discussion
of Base Period adjustments and adjustments from Adjusted Base Period to Test Period.

Reference:

- (1)PNM Exhibit SAV-4, Page 84, Column 1, Lines 16-23, Less Line 12
- (2)PNM Exhibit SAV-4, Page 84, Column 2, Lines 16-23, Less Line 12
- (3)PNM Exhibit SAV-4, Page 84, Column 3, Lines 16-23, Less Line 12
- (4)PNM Exhibit SAV-4, Page 84, Column 4, Lines 16-23, Less Line 12
- (5)PNM Exhibit SAV-4, Page 218, Column 1, Lines 16-23, Less Line 12
- (6)PNM Exhibit SAV-4, Page 218, Column 2, Lines 16-23, Less Line 12
- (7)PNM Exhibit SAV-4, Page 218, Column 3, Lines 16-23, Less Line 12
- (8)PNM Exhibit SAV-4, Page 218, Column 4, Lines 16-23, Less Line 12

PNM Schedule K-8

Allocation of total expenses to rate classes.

This schedule is also being provided electronically, see index for location.

Public Service Company of New Mexico
Schedule K-8 Allocation of Total Expenses to Rate Classes
Base Period Ending 6/30/2016
Test Period Ending 12/31/2018

A	B	C	D	E	F	G	H	I
					General Power			
					LLF	Large Power	Mines	Irrigation
1 (a) Base Period	Total	Residential	Small Power	General Power				
2 Operation & Maintenance Expenses Excluding Base Fuel ⁽¹⁾	\$ 312,193,280	\$ 163,397,776	\$ 39,495,680	\$ 48,312,594	\$ 6,368,087	\$ 29,732,599	\$ 1,746,087	\$ 836,446
3 Operation & Maintenance Expense - Base Fuel ⁽²⁾	\$ 177,752,491	\$ 68,062,648	\$ 20,341,365	\$ 36,077,613	\$ 4,347,260	\$ 24,892,116	\$ 1,966,553	\$ 490,758
4 Depreciation & Amortization Expense ⁽³⁾	\$ 124,925,643	\$ 67,683,446	\$ 16,378,831	\$ 19,188,897	\$ 2,668,702	\$ 10,767,075	\$ 480,507	\$ 360,668
5 General Taxes ⁽⁴⁾	\$ 33,675,661	\$ 17,691,085	\$ 4,530,998	\$ 5,386,925	\$ 752,454	\$ 2,911,767	\$ 143,331	\$ 103,437
6 Other Allowable Expenses ⁽⁵⁾	\$ 7,363,291	\$ 3,753,584	\$ 952,800	\$ 1,238,081	\$ 154,552	\$ 744,301	\$ 40,412	\$ 16,936
7 Net Allowable Federal Income Tax ⁽⁶⁾	\$ 51,978,538	\$ 27,015,198	\$ 6,817,466	\$ 8,405,191	\$ 1,151,378	\$ 4,938,031	\$ 248,089	\$ 151,171
8 Net Allowable State Income Tax ⁽⁷⁾	\$ 12,823,151	\$ 6,670,128	\$ 1,683,133	\$ 2,074,261	\$ 283,558	\$ 1,217,437	\$ 60,904	\$ 37,069
9 Revenue Tax ⁽⁸⁾	\$ 4,494,937	\$ 2,236,038	\$ 567,764	\$ 746,678	\$ 98,170	\$ 460,496	\$ 27,703	\$ 12,539
10 Less: Revenue Credits - Other Operating Revenue ⁽⁹⁾	\$ (14,444,080)	\$ (6,906,767)	\$ (1,848,035)	\$ (2,571,720)	\$ (344,071)	\$ (1,547,655)	\$ (88,307)	\$ (43,765)
11 TOTAL EXPENSES	\$ 710,762,913	\$ 349,603,135	\$ 88,920,003	\$ 118,858,521	\$ 15,480,091	\$ 74,116,168	\$ 4,625,280	\$ 1,965,260
12								
13								
					General Power			
					3B	3C	Large Power	Mines
								Irrigation
14 (b) Test Period	Total	Residential	Small Power					
15 Operation & Maintenance Expenses Excluding Base Fuel ⁽¹⁰⁾	\$ 361,893,074	\$ 186,274,253	\$ 46,647,400	\$ 56,831,536	\$ 7,513,538	\$ 35,775,437	\$ 1,965,298	\$ 1,072,703
16 Operation & Maintenance Expense - Base Fuel ⁽¹¹⁾	\$ 140,986,737	\$ 54,545,796	\$ 15,784,707	\$ 28,375,310	\$ 3,624,544	\$ 19,644,951	\$ 1,350,305	\$ 403,772
17 Depreciation & Amortization Expense ⁽¹²⁾	\$ 131,311,805	\$ 70,630,131	\$ 17,765,387	\$ 20,018,048	\$ 2,809,825	\$ 11,379,850	\$ 492,141	\$ 444,760
18 General Taxes ⁽¹³⁾	\$ 37,944,740	\$ 19,650,302	\$ 5,275,475	\$ 6,098,058	\$ 852,002	\$ 3,365,247	\$ 161,760	\$ 135,435
19 Other Allowable Expenses ⁽¹⁴⁾	\$ 18,160,549	\$ 8,909,500	\$ 2,445,929	\$ 3,125,997	\$ 396,783	\$ 1,975,075	\$ 108,384	\$ 50,451
20 Net Allowable Federal Income Tax ⁽¹⁵⁾	\$ 62,313,020	\$ 31,736,772	\$ 8,426,622	\$ 10,154,238	\$ 1,391,553	\$ 6,114,076	\$ 299,331	\$ 210,416
21 Net Allowable State Income Tax ⁽¹⁶⁾	\$ 11,260,496	\$ 5,736,726	\$ 1,523,693	\$ 1,835,308	\$ 251,293	\$ 1,104,799	\$ 54,045	\$ 37,976
22 Revenue Tax ⁽¹⁷⁾	\$ 4,719,075	\$ 2,347,466	\$ 610,947	\$ 777,898	\$ 104,108	\$ 484,731	\$ 26,483	\$ 14,788
23 Less: Revenue Credits - Other Operating Revenue ⁽¹⁸⁾	\$ (14,712,587)	\$ (6,937,424)	\$ (1,918,532)	\$ (2,619,027)	\$ (358,039)	\$ (1,597,183)	\$ (83,456)	\$ (50,539)
24 TOTAL EXPENSES	\$ 753,876,909	\$ 372,893,521	\$ 96,561,627	\$ 124,597,367	\$ 16,585,607	\$ 78,246,983	\$ 4,374,292	\$ 2,319,761

(c) Explanation of adjustments

Class allocation factors changed between Base Period and Test Period due to differing sales, load and customer counts. Please refer to Schedule M-1.

Please refer to PNM Exhibit HEM-3 and the testimony of PNM Witness Monroy for further discussion of Base Period adjustments and adjustments from Adjusted Base Period to Test Period.

Reference:

- (1)PNM Exhibit SAV-4, Pages 3-4, Line 16
- (2)PNM Exhibit SAV-4, Pages 3-4, Line 17
- (3)PNM Exhibit SAV-4, Pages 3-4, Line 18
- (4)PNM Exhibit SAV-4, Pages 3-4, Line 19
- (5)PNM Exhibit SAV-4, Pages 3-4, Line 20
- (6)PNM Exhibit SAV-4, Pages 3-4, Line 21
- (7)PNM Exhibit SAV-4, Pages 3-4, Line 22
- (8)PNM Exhibit SAV-4, Pages 3-4, Line 23
- (9)PNM Exhibit SAV-4, Pages 3-4, Line 12
- (10)PNM Exhibit SAV-4, Pages 137-138, Line 16
- (11)PNM Exhibit SAV-4, Pages 137-138, Line 17
- (12)PNM Exhibit SAV-4, Pages 137-138, Line 18
- (13)PNM Exhibit SAV-4, Pages 137-138, Line 19
- (14)PNM Exhibit SAV-4, Pages 137-138, Line 20
- (15)PNM Exhibit SAV-4, Pages 137-138, Line 21
- (16)PNM Exhibit SAV-4, Pages 137-138, Line 22
- (17)PNM Exhibit SAV-4, Pages 137-138, Line 23
- (18)PNM Exhibit SAV-4, Pages 137-138, Line 12

This schedule is sponsored by PNM Witness Vogt.

Public Service Company of New Mexico
Schedule K-8 Allocation of Total Expenses to Rate Classes
Base Period Ending 6/30/2016
Test Period Ending 12/31/2018

A		J	K	L	M	N	O	P	Q
		Water & Sewage	Universities	Manufacturing	Station Service	Large Power >3,000kW	Special Service Rate Renew. Energy Res.	Private Area Lighting	Streetlighting
1	(a) Base Period								
2	Operation & Maintenance Expenses Excluding Base Fuel ⁽¹⁾	\$ 4,143,664	\$ 1,553,807	\$ 8,752,049	\$ 68,455	\$ 4,331,136	\$ -	\$ 993,617	\$ 2,461,284
3	Operation & Maintenance Expense - Base Fuel ⁽²⁾	\$ 4,044,702	\$ 1,708,356	\$ 9,626,402	\$ 80,092	\$ 4,725,046	\$ -	\$ 327,999	\$ 1,061,580
4	Depreciation & Amortization Expense ⁽³⁾	\$ 1,449,249	\$ 455,279	\$ 2,486,343	\$ 17,787	\$ 1,235,612	\$ -	\$ 219,092	\$ 1,534,155
5	General Taxes ⁽⁴⁾	\$ 385,596	\$ 127,744	\$ 722,933	\$ 5,033	\$ 360,063	\$ -	\$ 89,451	\$ 464,844
6	Other Allowable Expenses ⁽⁵⁾	\$ 78,464	\$ 38,846	\$ 210,792	\$ 1,467	\$ 104,596	\$ -	\$ 5,236	\$ 23,224
7	Net Allowable Federal Income Tax ⁽⁶⁾	\$ 667,203	\$ 213,600	\$ 1,232,387	\$ 8,398	\$ 612,406	\$ -	\$ 77,522	\$ 440,495
8	Net Allowable State Income Tax ⁽⁷⁾	\$ 162,750	\$ 52,675	\$ 303,267	\$ 2,059	\$ 150,734	\$ -	\$ 18,667	\$ 106,507
9	Revenue Tax ⁽⁸⁾	\$ 65,945	\$ 24,474	\$ 137,991	\$ 1,061	\$ 68,192	\$ -	\$ 10,023	\$ 37,863
10	Less: Revenue Credits - Other Operating Revenue ⁽⁹⁾	\$ (226,090)	\$ (73,306)	\$ (431,462)	\$ (3,407)	\$ (213,329)	\$ -	\$ (22,510)	\$ (123,656)
11	TOTAL EXPENSES	\$ 10,771,483	\$ 4,101,473	\$ 23,040,703	\$ 180,945	\$ 11,374,457	\$ -	\$ 1,719,098	\$ 6,006,296
12									
13									
14	(b) Test Period								
15	Operation & Maintenance Expenses Excluding Base Fuel ⁽¹⁰⁾	\$ 5,036,725	\$ 1,881,515	\$ 9,127,871	\$ 78,391	\$ 5,254,124	\$ 745,040	\$ 1,045,159	\$ 2,644,085
16	Operation & Maintenance Expense - Base Fuel ⁽¹¹⁾	\$ 3,201,400	\$ 1,253,753	\$ 6,955,873	\$ 57,812	\$ 3,937,416	\$ 726,183	\$ 265,346	\$ 859,570
17	Depreciation & Amortization Expense ⁽¹²⁾	\$ 1,802,833	\$ 489,302	\$ 2,144,678	\$ 18,276	\$ 1,248,756	\$ 214,398	\$ 196,886	\$ 1,656,532
18	General Taxes ⁽¹³⁾	\$ 500,291	\$ 152,908	\$ 694,138	\$ 5,725	\$ 403,799	\$ 57,235	\$ 89,703	\$ 502,662
19	Other Allowable Expenses ⁽¹⁴⁾	\$ 210,614	\$ 109,582	\$ 474,164	\$ 4,049	\$ 272,500	\$ 7,578	\$ 15,146	\$ 54,798
20	Net Allowable Federal Income Tax ⁽¹⁵⁾	\$ 941,914	\$ 274,903	\$ 1,307,316	\$ 10,349	\$ 756,065	\$ 129,109	\$ 79,633	\$ 480,724
21	Net Allowable State Income Tax ⁽¹⁶⁾	\$ 169,486	\$ 49,713	\$ 235,791	\$ 1,868	\$ 136,402	\$ 22,837	\$ 14,269	\$ 86,291
22	Revenue Tax ⁽¹⁷⁾	\$ 72,701	\$ 25,063	\$ 123,589	\$ 1,032	\$ 70,975	\$ 11,240	\$ 9,728	\$ 38,324
23	Less: Revenue Credits - Other Operating Revenue ⁽¹⁸⁾	\$ (261,050)	\$ (74,106)	\$ (390,473)	\$ (3,303)	\$ (223,422)	\$ (57,188)	\$ (20,227)	\$ (118,617)
24	TOTAL EXPENSES	\$ 11,674,915	\$ 4,162,632	\$ 20,672,947	\$ 174,198	\$ 11,856,615	\$ 1,856,433	\$ 1,695,643	\$ 6,204,369

(c) Explanation of adjustments

Class allocation factors changed between Base Period and Test Period
Please refer to PNM Exhibit HEM-3 and the testimony of PNM WI

Reference:

- (1)PNM Exhibit SAV-4, Pages 3-4, Line 16
- (2)PNM Exhibit SAV-4, Pages 3-4, Line 17
- (3)PNM Exhibit SAV-4, Pages 3-4, Line 18
- (4)PNM Exhibit SAV-4, Pages 3-4, Line 19
- (5)PNM Exhibit SAV-4, Pages 3-4, Line 20
- (6)PNM Exhibit SAV-4, Pages 3-4, Line 21
- (7)PNM Exhibit SAV-4, Pages 3-4, Line 22
- (8)PNM Exhibit SAV-4, Pages 3-4, Line 23
- (9)PNM Exhibit SAV-4, Pages 3-4, Line 12
- (10)PNM Exhibit SAV-4, Pages 137-138, Line 16
- (11)PNM Exhibit SAV-4, Pages 137-138, Line 17
- (12)PNM Exhibit SAV-4, Pages 137-138, Line 18
- (13)PNM Exhibit SAV-4, Pages 137-138, Line 19
- (14)PNM Exhibit SAV-4, Pages 137-138, Line 20
- (15)PNM Exhibit SAV-4, Pages 137-138, Line 21
- (16)PNM Exhibit SAV-4, Pages 137-138, Line 22
- (17)PNM Exhibit SAV-4, Pages 137-138, Line 23
- (18)PNM Exhibit SAV-4, Pages 137-138, Line 12

This schedule is sponsored by PNM Witness Vogt.