

Supporting Revenue Requirements Workpapers

PNM Exhibit HEM-4

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<i>Tab Reference</i>	<i>Description</i>
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WP OM-2	Summary
WP OM-3	Summary Adjustments
WP OM-4	Adjustments to Specific O&M
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WP-LA-2	PNM Normalized Labor (Non-San Juan)
WP-LA-3	PNM Overtime (Excluding San Juan and Shared Services)
WP-LA-4	Summary of San Juan Generating Station Labor
WP-LA-5	San Juan Generating Station Direct Normalized Labor (San Juan Home Centers)
WP-LA-6	San Juan Generating Station Direct Normalization Labor (Non-San Juan Centers)
WP-LA-7	San Juan Generating Station Indirect Normalized Labor (Indirect Home Centers)
WP-LA-8	Summary of Shared Services Labor
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HEM – 4: WP-SS - Shared Services

<i>Tab Reference</i>	<i>Description</i>
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WP SS-2	Shared Services Base Period Adjustments
WP SS-3	Summary of Shared Services - Base Period to Test Period
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HEM – 4: WP-SS - Shared Services

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<i>Tab Reference</i>	<i>Description</i>
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WP GT-3	Property Tax Rates
WP GT-4	Payroll Taxes
WP GT-5	PNM Payroll Tax Calculation
WP GT-6	Other Misc Taxes
WP GT-7	Property Tax Reclass

HEM – 4: WP OA - Other Allowable Exp Workpaper

<i>Tab Reference</i>	<i>Description</i>
WP OA-1	Summary of Other Allowable Expenses

HEM – 4: WP RC – Revenue Credits Workpapers

<i>Tab Reference</i>	<i>Description</i>
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HEM – 4: WP AL - Allocators

<i>Tab Reference</i>	<i>Description</i>
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AL-2	Base Period Transmission Allocators
AL-3	Sales Allocator
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AL-5	SJGS Base Period Participant Allocators
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AL-7	Base Period Wages and Salaries Allocators
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AL-9	Test Period Transmission Allocators

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP SJGS

Is contained in the following 15 pages

	A	B	C	D	E
1	PNM Exhibit HEM-4				
2	WP SJGS Lead Sheet				
3				<i>Provides Information To</i>	<i>Requires Information From</i>
4	<i>Tab Reference</i>	<i>Description</i>	<i>Purpose</i>	<i>Tab Name</i>	<i>Tab Name</i>
5	<u>WP SJGS - 1</u>	Summary of San Juan Generating Station	Summarizes the San Juan O&M for Base and Test Periods	WP OM - OM Workpaper.xlsx; WP OM-4	WP SJGS - 2, WP SJGS - 3, WP SJGS - 4, WP SJGS - 5
6	<u>WP SJGS - 2</u>	Direct San Juan Home Centers O&M	Provides the calculation for Direct San Juan Home Centers.	WP SJGS-1, WP SJGS-5	WP OM - OM Workpaper.xlsx; WP OM-3, CMO Exhibit - 5, WP AI - Allocators Workpaper.xlsx; WP AL-5, manual inputs
7	<u>WP SJGS - 3</u>	Non direct San Juan Home Centers O&M	Provides the calculation for the non direct San Juan Home Centers.	WP SJGS-1, WP SJGS-5	WP AI - Allocators Workpaper.xlsx; WP AL-5, Manual Inputs
8	<u>WP SJGS - 4</u>	Indirect San Juan Home Centers O&M	Provides the calculation for Indirect San Juan Home Centers.	WP SJGS-1, WP SJGS-5	WP OM - OM Workpaper.xlsx; WP OM-20, WP AI - Allocators Workpaper.xlsx; WP AL-5, Manual Inputs
9	<u>WP SJGS - 5</u>	San Juan Participation Credits O&M	Provides the calculation for the San Juan participation credits	WP SJGS-1	WP SJGS - 2, WP SJGS - 3, WP SJGS - 4

	A	B	C	D	E	J
1	PNM Exhibit HEM-4					
2	WP SJGS-1: SJGS OM Summary					
3	Base Period data is historical information from the Company's Books and Records.					
4	Hyperlink to SJGS OM Lead Sheet					
5						
6				WP SJGS OM - 2; Column DC + WP SJGS - 3; Column AF + WP SJGS - 4; Column BJ + WP SJGS - 5; Column L	Column C + Column D	WP SJGS OM - 2; Column HS + WP SJGS - 3; Column BY + WP SJGS - 4; Column FK + WP SJGS - 5; Column Q
7	FERC	Cost Type	Unadjusted Base Period PNM Share	Total Base Period Adjustments	Total Adjusted Base Period WP OM-4, Column P	Total Test Period
8						
9						
33	500 Total		1,673,215	(75,653)	1,597,562	1,609,070
43	502 Total		3,728,589	1,003,915	4,732,504	4,788,428
57	505 Total		1,386,678	(12,706)	1,373,972	750,514
85	506 Total		1,046,605	(176,329)	870,276	876,240
106	510 Total		1,172,981	(17,835)	1,155,146	1,133,032
119	511 Total		3,154,327	22,660	3,176,987	2,892,102
134	512 Total		13,776,020	(1,988,473)	11,787,547	9,831,346
152	513 Total		2,193,068	(536,369)	1,656,699	1,362,530
170	514 Total		1,634,687	16,520	1,651,207	1,153,651
172	549 Total		-	-	-	-
177	556 Total		459,924	0	459,924	591,593
185	560 Total		2,388	(0)	2,388	2,470
190	561 Total		491	(0)	491	631
195	562 Total		2,426	(0)	2,426	2,462
200	570 Total		5,244	0	5,244	5,323
206	573 Total		178	(1)	177	183
212	574 Total		(178)	1	(177)	(183)
218	920 Total		2,653,771	(20,144)	2,633,627	3,680,971
230	921 Total		473,424	(621)	472,803	739,226
237	923 Total		1,169,228	(735)	1,168,493	1,574,220
242	924 Total		760,963	(2)	760,961	659,045
248	925 Total		629,828	12	629,840	820,890
254	926 Total		727,948	192	728,140	1,014,236
256	930 Total		2,201,816	(2,201,816)	-	-
261	935 Total		61,806	(60)	61,746	86,260
262	Grand Total		38,915,427	(3,987,444)	34,927,983	33,574,241
263						
264	Test Period 65 MW Non - Labor OM Allocation Production					2,822,014
265	Test Period 65 MW Non - Labor OM Allocation A&G					1,376,290
266						
267						
268	General Note: This Summary schedule presents the non-labor, non-fuel SJGS O&M. Please see PNM Exhibit HEM-4 WP LA-4 for SJGS Labor, PNM Exhibit HEM-4 WP H-2 for fuel handling.					
269	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	Q	AF	AU	BJ	BY
1	PNM Exhibit HEM-4						
2	WP SJGS-2: OM SJ Direct						
3	Base Period data is historical information from the Company's Books and Records.						
4	Hyperlink to SJGS OM Lead Sheet						
5							
6							
7							
8							
9				Exhibit CMO - 5	WP OM-7, Column O	WP OM-3, Note 5	WP OM-3, Note 4
10	FERC	Cost Type	Unadjusted Base Period	SJ Urea Annualization	Planned Outages Adjustment	Incentive Comp Adjustment	Dues, Fees, & Fines Adjustment
11							
12	SJGS Direct O&M 100%						
217	Grand Total - SJGS Direct O&M 100%		65,581,675	2,361,932	(7,451,450)	(33,958)	(154,088)
218							
219	Participant Credit - by Cost Type (Note 1)						
424	Grand Total - Participant Credit		(35,979,926)	(1,330,177)	4,712,287	18,236	82,750
425							
426	SJGS PNM Share						
631	Grand Total - PNM Share		29,601,749	1,031,756	(2,739,162)	(15,722)	(71,338)
632							
633	General Escalation	1.50%					
634	Periods of Escalation	1					
635							
636	Test Period 65 MW Non - Labor OM Allocation Production						
637	Test Period 65 MW Non - Labor OM Allocation A&G						

	A	B	CN	DC	DR	EG
1	PNM Exhibit HEM-4					
2	WP SJGS-2: OM SJ Direct					
3	Base Period data is historical information from the Company's Books and Records.					
4	Hyperlink to SJGS OM Lead Sheet					
5						
6						
7						
8						
9			WP OM-3, Note 7	Column AF + Column AU + Column BJ + Column BY + Column CN	Column Q + Column DC	OM-7, Column M
10	FERC	Cost Type	BDT Cost Savings	Total Base Period Adjustments	Adjusted Base Period	Remove Planned Outages
11						
12	SJGS Direct O&M 100%					
217	Grand Total - SJGS Direct O&M 100%		690,046	(4,587,517)	60,994,158	(8,078,775)
218						
219	Participant Credit - by Cost Type (Note 1)					
424	Grand Total - Participant Credit		(390,046)	3,093,051	(32,886,875)	4,570,223
425						
426	SJGS PNM Share					
631	Grand Total - PNM Share		300,000	(1,494,466)	28,107,283	(3,508,552)
632						
633	General Escalation	1.50%				
634	Periods of Escalation	1				
635						
636	Test Period 65 MW Non - Labor OM Allocation Production					
637	Test Period 65 MW Non - Labor OM Allocation A&G					

	A	B	EV	FK	FZ	GO
1	PNM Exhibit HEM-4					
2	WP SJGS-2: OM SJ Direct					
3	Base Period data is historical information from the Company's Books and Records.					
4	Hyperlink to SJGS OM Lead Sheet					
5						
6						
7						
8						
9			Remove Column CN		Column DR + Column EG + Column EV + Column FK	Note 2 & 3
10	FERC	Cost Type	Remove Specifically Forecasted BDT Cost Savings	Remove Specifically Forecasted Urea	SJGS O&M, Excluding Outages	Reduction %
11						
12	SJGS Direct O&M 100%					
217	Grand Total - SJGS Direct O&M 100%		(690,046)	(4,196,473)	48,028,864	(19,762,667)
218						
219	Participant Credit - by Cost Type (Note 1)					
424	Grand Total - Participant Credit		390,046	2,368,827	(25,557,778)	10,194,110
425						
426	SJGS PNM Share					
631	Grand Total - PNM Share		(300,000)	(1,827,646)	22,471,086	(9,568,557)
632						
633	General Escalation	1.50%				
634	Periods of Escalation	1				
635						
636	Test Period 65 MW Non - Labor OM Allocation Production					
637	Test Period 65 MW Non - Labor OM Allocation A&G					

	A	B	HD	HS	IH	IW
1	PNM Exhibit HEM-4					
2	WP SJGS-2: OM SJ Direct					
3	Base Period data is historical information from the Company's Books and Records.					
4	Hyperlink to SJGS OM Lead Sheet					
5						
6						
7						
8						
9			Column FZ + Column GO	Column EG	Column HD + Column HS	Column IW = (Column IH) * Line 633, Column B * Line 634, Column B
10	FERC	Cost Type	San Juan Subtotal	Add Planned Outages	Remaining O&M to be Escalated	Escalation to Test Period
11						
12	SJGS Direct O&M 100%					
217	Grand Total - SJGS Direct O&M 100%		28,266,197	8,078,775	36,344,972	545,175
218						
219	Participant Credit - by Cost Type (Note 1)					
424	Grand Total - Participant Credit		(15,363,668)	(4,570,223)	(19,933,892)	(232,652)
425						
426	SJGS PNM Share					
631	Grand Total - PNM Share		12,902,529	3,508,552	16,411,080	312,522
632						
633	General Escalation	1.50%				
634	Periods of Escalation	1				
635						
636	Test Period 65 MW Non - Labor OM Allocation Production					
637	Test Period 65 MW Non - Labor OM Allocation A&G					

	A	B	JL	KA	KP	LE
1	PNM Exhibit HEM-4					
2	WP SJGS-2: OM SJ Direct					
3	Base Period data is historical information from the Company's Books and Records.					
4	Hyperlink to SJGS OM Lead Sheet					
5						
6						
7						
8						
9			Column IH + Column IW	WP OM-3, Note 7	Exhibit CMO - 5	Column JL + Column KA+ Column KP
10	FERC	Cost Type	Subtotal test period before specifically forecasted	Add Specifically Forecasted BDT Cost Savings	Add Specifically Forecasted Urea Costs	Total Test Period
11						
12	SJGS Direct O&M 100%					
217	Grand Total - SJGS Direct O&M 100%		36,890,147	532,623	4,488,217	41,910,986
218						
219	Participant Credit - by Cost Type (Note 1)					
424	Grand Total - Participant Credit		(15,742,797)	(232,623)	(1,860,420)	(17,835,840)
425						
426	SJGS PNM Share					
631	Grand Total - PNM Share		21,147,350	300,000	2,627,796	24,075,146
632						
633	General Escalation	1.50%				
634	Periods of Escalation	1				
635						
636	Test Period 65 MW Non - Labor OM Allocation Production					2,822,014
637	Test Period 65 MW Non - Labor OM Allocation A&G					136

	A	B	C	D
1	PNM Exhibit HEM-4			
2	WP SJGS-2: OM SJ Direct Notes			
3	Base Period data is historical information from the Company's Books and Records.			
4	Hyperlink to SJGS OM Lead Sheet			
5				
6				
7	Notes	Description		
8	General Note:	Please refer to the testimony of PNM Witness Olson for discussion of San Juan OM as it relates to the direct San Juan home centers.		
9	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.		
10	Note 1:	Participant Credit - Cost types for the unadjusted Base Period are recalculated. Please refer to WP SJGS-5 for actual amounts recorded to participant credits in the unadjusted Base Period.		
11	Note 2:	Please refer to the testimony of PNM Witness Olson for development of reduction percentages to Adjusted Base Period to reflect the abandonment of SJGS Units 2 & 3 for the Test Period.		
12	Note 3:	PNM applied the following reduction allocations to the Adjusted Base Period to reflect the abandonment of SJGS 2 & 3:		
13				
14	Location	Description	% Reduction	
15	760	San Juan General	0%	
16	761	San Juan Unit 1	-20%	Note 4
17	762	San Juan Unit 2	-100%	
18	763	San Juan Unit 3	-100%	
19	764	San Juan Unit 4	0%	
20	765	San Juan Common Unit 1 Unit 2	-100%	
21	766	San Juan Common All Units	-20%	
22	767	San Juan Common Unit 3 Unit 4	-100%	
23	768	Variable Fuel Allocation	-15%	
24	770	100 PCT PNM Solely Owned	0%	
25	776	SJ Switchyard Misc. 50P PNM - 50P Test	0%	
26	779	SJ Switchyard Misc. 65P PNM - 35P Test	0%	
27	784	SJ Switchyard 345/69/12kv 33.33P TEP	0%	
28	787	Post 2017 Coal Supply Allocation	0%	
29				
30	Note 4:	PNM identified one time costs associated with the feed water system for boiler feed pump repairs and SNCR startup costs that were recorded in the Base Period; resulting in an overall 20% reduction. PNM does not anticipate these costs will recur in the future and has adjusted the SJGS Unit 1 Base Period expense by 20% to reflect the removal of these costs. See the testimony of PNM Witness Olson.		

	A	B	Q	AF	AU	BJ	BY
1	PNM Exhibit HEM-4						
2	WP SJGS-3: SJGS Non SJ Direct						
3	Base Period data is historical information from the Company's Books and Records.						
4	Hyperlink to SJGS OM Lead Sheet						
5							
6							
7							
8							
9					Column Q + Column AF	Column BJ = Column AU * Line 634, Column B * Line 635, Column B	Column AU + Column BJ
10	FERC	Cost Type	Unadjusted Base Period	Base Period Adjustments	Adjusted Base Period	Escalation to Test Period	Total Non SJ Direct Test Period
11							
12	Non SJGS Direct O&M 100%						
217	Grand Total - SJGS Direct O&M 100%		928,033	-	928,033	13,920	941,953
218							
219	Participant Credit - by Cost Type (Note 1)						
424	Grand Total - Participant Credit		(467,377)	-	(467,377)	(5,416)	(366,473)
425							
426	Non SJGS PNM Share						
631	Grand Total - PNM Share		460,656	-	460,656	8,505	575,481
632							
633							
634	General Escalation	1.50%					
635	Periods of Escalation	1					
636							
637	Test Period 65 MW Non - Labor OM Allocation Production						-
638	Test Period 65 MW Non - Labor OM Allocation A&G						121,453

	A	B
1	PNM Exhibit HEM-4	
2	WP SJGS-3: Non SJ Direct Notes	
3	Base Period data is historical information from the Company's Books and Records.	
4	Hyperlink to SJGS OM Lead Sheet	
5		
6		
7	Notes	Description
8	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.
9	Note 1:	Participant Credit - Cost types for the unadjusted Base Period are recalculated. Please refer to WP SJGS-5 for actual amounts recorded to participant credits in the unadjusted base period.

	A	B	Q	AF	AU	BJ	BY
1	PNM Exhibit HEM-4						
2	WP SJGS-4: SJGS OM Indirect						
3	Base Period data is historical information from the Company's Books and Records.						
4	Hyperlink to SJGS OM Lead Sheet						
5							
6							
7							
8							
9				Note 2	Note 3	Column AF + Column AU	Column Q + Column BJ
10	FERC	Cost Type	Unadjusted Base Period	One time Fuel Costs	Incentive Compensation Removal	Total Base Period Adjustments	Adjusted Base Period
11							
12	Non SJGS Indirect O&M 100%						
217	Grand Total - SJGS Indirect O&M 100%		15,304,614	(9,590)	(307,500)	(317,090)	14,987,524
218							
219	Participant Credit - by Cost Type (Note 1)						
424	Grand Total - Participant Credit		(8,793,873)	3,462	165,137	168,599	(8,625,274)
425							
426	SJGS PNM Share Indirect						
631	Grand Total - PNM Share		6,510,741	(6,128)	(142,363)	(148,491)	6,362,250
632							
633	General Escalation		1.50%				
634	Periods of Escalation		1				
635							
636							
637	Test Period 65 MW Non - Labor OM Allocation Production						
638	Test Period 65 MW Non - Labor OM Allocation A&G						

	A	B	CN	DC	DR	EG	EV	FK
1	PNM Exhibit HEM-4							
2	WP SJGS-4: SJGS OM Indirect							
3	Base Period data is historical information from the Company's Books and Records.							
4	Hyperlink to SJGS OM Lead Sheet							
5								
6								
7								
8								
9			WP OM - 20, Column C	Column DC = Column BY - Column CN	Column DR = Column DC * Line 633, Column B * Line 634, Column B	Column DC + Column DR	WP OM - 20, Column J	Column EG + Column EV
10	FERC	Cost Type	Remove Specifically Forecasted O&M	Remaining O&M, To be Escalated	Escalation to Test Period	Subtotal Test Period before specifically forecasted	Property Insurance	Total Test Period
11								
12	Non SJGS Indirect O&M 100%							
217	Grand Total - SJGS Indirect O&M 100%		1,640,093	13,347,431	200,211	13,547,642	1,119,365	14,667,008
218								
219	Participant Credit - by Cost Type (Note 1)							
424	Grand Total - Participant Credit		(880,779)	(7,744,494)	(78,041)	(5,280,770)	(462,622)	(5,743,393)
425								
426	SJGS PNM Share Indirect							
631	Grand Total - PNM Share		759,314	5,602,937	122,171	8,266,872	656,743	8,923,615
632								
633	General Escalation	1.50%						
634	Periods of Escalation	1						
635								
636								
637	Test Period 65 MW Non - Labor OM Allocation Production							-
638	Test Period 65 MW Non - Labor OM Allocation A&G							1,254,701

	A	B
1	PNM Exhibit HEM-4	
2	WP SJGS-4: OM Indirect Notes	
3	Base Period data is historical information from the Company's Books and Records.	
4	Hyperlink to SJGS OM Lead Sheet	
5		
6		
7	Notes	Description
8	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.
9	Note 1:	Participant Credit - Cost types for the unadjusted Base Period are recalculated. Please refer to WP SJGS-5 for actual amounts recorded to participant credits in the unadjusted base period.
10	Note 2:	Adjustment tied to one time fuel costs in location 787. PNM does not anticipate these costs will be recurring. Removed from Base Period
11	Note 3:	Adjustment tied to one time incentive compensation costs in location 766. PNM does not anticipate these costs will be recurring. Removed from Base Period.

	A	B	C	D	E	F	G	H	I	J
1	PNM Exhibit HEM-4									
2	WP SJGS - 5 OM Participation Credits									
3										
4	Hyperlink to SJGS OM Lead Sheet									
5										
6	Base Period data is historical information from the Company's Books and Records.							Sum of Column D through Column G	Column H - Column C Note 1	
7	FERC	Cost Type	Unadjusted Base Period Per GL	Unadjusted Base Period WP SJGS - 2, Column Q	Unadjusted Base Period WP SJGS - 3, Column Q	Unadjusted Base Period WP SJGS - 4, Column Q	Planned Outage Billing PY True UP	Total Unadjusted Participant Credit (937) Base Period	Participant Credit adjustment to Base Period	WP SJGS - 2, Column DC Base Period Adjustments
8										
9	500 Total	937 - San Juan AR - Other	(1,910,974)	(1,871,628)	(31,758)	(11,815)		(1,915,200)	(4,226)	82,046
10	502 Total	937 - San Juan AR - Other	(4,330,329)	(4,329,057)		(29,113)		(4,358,170)	(27,841)	(1,330,177)
11	505 Total	937 - San Juan AR - Other	(1,588,815)	(1,592,433)		(9,088)		(1,601,521)	(12,706)	-
12	506 Total	937 - San Juan AR - Other	(1,038,993)	(909,797)	(46,299)	(117,858)	704	(1,073,251)	(34,258)	(195)
13	510 Total	937 - San Juan AR - Other	(1,339,955)	(1,348,792)	(2,526)	(8,797)	724	(1,359,391)	(19,436)	(1,949)
14	511 Total	937 - San Juan AR - Other	(3,637,244)	(3,600,880)		(41,094)		(3,641,974)	(4,730)	(30,091)
15	512 Total	937 - San Juan AR - Other	(18,042,425)	(17,387,731)	(6,091)	(674,474)	(2,442)	(18,070,738)	(28,313)	3,521,685
16	513 Total	937 - San Juan AR - Other	(2,970,514)	(2,914,252)	(3,026)	(59,363)	(1,193)	(2,977,834)	(7,320)	857,504
17	514 Total	937 - San Juan AR - Other	(2,045,169)	(2,003,231)	(15)	(45,559)		(2,048,806)	(3,637)	(24,009)
18	556 Total	937 - San Juan AR - Other	(533,497)	-		(533,497)		(533,497)	0	
19	560 Total	937 - San Juan AR - Other	(2,770)	(2,715)		(55)		(2,770)	(0)	
20	561 Total	937 - San Juan AR - Other	(569)	-		(569)		(569)	(0)	
21	562 Total	937 - San Juan AR - Other	(1,306)	-		(1,306)		(1,306)	(0)	
22	570 Total	937 - San Juan AR - Other	(2,824)	-		(2,824)		(2,824)	0	
23	573 Total	937 - San Juan AR - Other	(205)	(205)		(1)		(206)	(1)	
24	574 Total	937 - San Juan AR - Other	205	205		1		206	1	
25	920 Total	937 - San Juan AR - Other	(3,059,859)	(18,236)		(3,043,153)		(3,061,389)	(1,530)	18,236
26	921 Total	937 - San Juan AR - Other	(784,883)	(1,173)	(1,514)	(782,078)		(784,765)	118	
27	923 Total	937 - San Juan AR - Other	(1,283,445)		(376,148)	(907,170)		(1,283,318)	127	
28	924 Total	937 - San Juan AR - Other	(882,683)			(882,683)		(882,683)	0	
29	925 Total	937 - San Juan AR - Other	(730,559)			(730,442)		(730,442)	117	
30	926 Total	937 - San Juan AR - Other	(842,692)			(841,736)		(841,736)	956	
31	930 Total	937 - San Juan AR - Other	2,201,816					-	(2,201,816)	
32	935 Total	937 - San Juan AR - Other	(71,206)			(71,197)		(71,197)	9	
33	Grand Total - Participant Credit		(42,898,895)	(35,979,926)	(467,377)	(8,793,873)	(2,207)	(45,243,382)	(2,344,487)	3,093,051
34										
35			Note 1: Participant Credit adjustments tied to prior year accounting true up transactions and includes one-time costs in FERC Account							
36			930 related to alternative fuel supply arrangements. PNM does not anticipate these costs will be recurring; removed from the Base							
37			Period.							

	A	B	K	L	M	N	O	P	Q
1	PNM Exhibit HEM-4								
2	WP SJGS - 5 OM Participation Credits								
3									
4	Hyperlink to SJGS OM Lead Sheet								
5									
6	Base Period data is historical information from the Company's Books and Records.			Sum of Column I through Column K	Column C + Column L				Sum of Column N through Column P
7	FERC	Cost Type	WP SJGS - 4, Column BJ Base Period Adjustments	Total Base Period Adjustments	Total Adjusted Base Period	WP SJGS - 2, Column LE	WP SJGS - 3, Column BY	WP SJGS - 4, Column FK	Total Test Period
8									
9	500 Total	937 - San Juan AR - Other	392	78,212	(1,832,762)	(1,113,749)	(24,817)	(8,712)	(1,147,278)
10	502 Total	937 - San Juan AR - Other	-	(1,358,017)	(5,688,346)	(3,964,523)		(21,246)	(3,985,769)
11	505 Total	937 - San Juan AR - Other	-	(12,706)	(1,601,521)	(525,803)		(7,082)	(532,886)
12	506 Total	937 - San Juan AR - Other	165,137	130,684	(908,309)	(557,418)	(36,119)	37,314	(556,222)
13	510 Total	937 - San Juan AR - Other	-	(21,384)	(1,361,339)	(803,520)	(1,973)	(6,758)	(812,251)
14	511 Total	937 - San Juan AR - Other	-	(34,821)	(3,672,065)	(1,993,873)		(26,943)	(2,020,816)
15	512 Total	937 - San Juan AR - Other	-	3,493,371	(14,549,054)	(7,030,057)	(6,182)	(338,436)	(7,374,675)
16	513 Total	937 - San Juan AR - Other	-	850,183	(2,120,331)	(967,809)	(2,367)	(30,730)	(1,000,906)
17	514 Total	937 - San Juan AR - Other		(27,646)	(2,072,815)	(876,660)	(12)	(34,565)	(911,237)
18	556 Total	937 - San Juan AR - Other		0	(533,497)	-		(416,730)	(416,730)
19	560 Total	937 - San Juan AR - Other		(0)	(2,770)	(1,696)		(43)	(1,740)
20	561 Total	937 - San Juan AR - Other		(0)	(569)	-		(445)	(445)
21	562 Total	937 - San Juan AR - Other		(0)	(1,306)	-		(1,326)	(1,326)
22	570 Total	937 - San Juan AR - Other		0	(2,824)	-		(2,866)	(2,866)
23	573 Total	937 - San Juan AR - Other		(1)	(206)	(128)		(1)	(129)
24	574 Total	937 - San Juan AR - Other		1	206	128		1	129
25	920 Total	937 - San Juan AR - Other	1,634	18,341	(3,041,518)	-		(2,079,301)	(2,079,301)
26	921 Total	937 - San Juan AR - Other	418	537	(784,346)	(733)	(1,183)	(534,421)	(536,337)
27	923 Total	937 - San Juan AR - Other	487	614	(1,282,831)		(293,820)	(620,054)	(913,874)
28	924 Total	937 - San Juan AR - Other	1	1	(882,682)			(463,923)	(463,923)
29	925 Total	937 - San Juan AR - Other	59	175	(730,384)			(559,737)	(559,737)
30	926 Total	937 - San Juan AR - Other	432	1,388	(841,304)			(578,749)	(578,749)
31	930 Total	937 - San Juan AR - Other		(2,201,816)	-				-
32	935 Total	937 - San Juan AR - Other	39	47	(71,159)			(48,639)	(48,639)
33	Grand Total - Participant Credit		168,599	917,163	(41,981,732)	(17,835,840)	(366,473)	(5,743,393)	(23,945,706)
34									
35									
36									
37									

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP LA

Is contained in the following 68 pages

	A	B	C	D	E
1	PNM Exhibit HEM -4				
2	WP LA - Labor Workpaper Lead Sheet				
3					
4				<i>Provides Information To</i>	<i>Requires Information From</i>
5	<i>Tab Reference</i>	<i>Description</i>	<i>Purpose</i>	<i>Tab name</i>	<i>Tab name</i>
6	<u>WP-LA-1</u>	Summary of PNM Direct Labor	Summary of PNM Labor, Base Period, Adjusted Base Period, Linkage data and Test Period amounts. Also provides the jurisdictional allocation of PNM Labor for the Wages and Salary Allocator calculation.	WP OM - O&M Workpaper.xlsx; WP OM-3, WP OM-4 WP AL - Allocators Workpaper.xlsx; WP AL-7, WP AL-8	WP-LA-2, WP-LA-3 PNM Exhibit HEM-3 - WP COS.xlsx; PNM Exhibit HEM-3 COS BASE, PNM Exhibit HEM-3 COS Test
7	<u>WP-LA-2</u>	PNM Normalized Labor (Non San Juan)	Calculates normalization of PNM labor, excluding SJGS and overtime, for Base Period, and development of Linkage data and Test Period labor expenses with escalation.	WP-LA-1	Manual Inputs
8	<u>WP-LA-3</u>	PNM Overtime	Calculates PNM, excluding SJGS, overtime expenses for Linkage data and Test period, using labor escalation rates.	WP-LA-1	Manual Inputs
9	<u>WP-LA-4</u>	Summary of San Juan Generating Station Labor	Summary of SJGS Labor, Base Period, Adjusted Base Period, Linkage data and Test Period amounts. Also provides the jurisdictional allocation of PNM Labor for the Wages and Salary Allocator calculation.	WP OM - O&M Workpaper.xlsx; WP OM-3, WP OM-4 WP AL - Allocators Workpaper.xlsx; WP AL-7, WP AL-8	WP-LA-5, WP-LA-6, WP-LA-7 PNM Exhibit HEM-3 - WP COS.xlsx; PNM Exhibit HEM-3 COS BASE ALLC, PNM Exhibit HEM-3 COS Test
10	<u>WP-LA-5</u>	San Juan Generating Station Direct Normalized Labor (San Juan Home centers)	Calculates normalization of SJGS labor, for San Juan Direct Home Centers, for Base Period, and development of Linkage data and Test Period labor expenses with escalation and attrition adjustments.	WP-LA-4	Manual Inputs
11	<u>WP-LA-6</u>	San Juan Generating Station Direct Normalized Labor (Non San Juan Home centers)	Calculates normalization of SJGS labor, for Non San Juan Direct Home Centers (charged to San Juan Locations), for Base Period, and development of Linkage data and Test Period labor expenses with escalation.	WP-LA-4	Manual Inputs
12	<u>WP-LA-7</u>	San Juan Generating Station Indirect Normalized Labor (Indirect Home centers)	Calculates normalization of SJGS labor, for San Juan Indirect Home Centers, for Base Period, and development of Linkage data and Test Period labor expenses with escalation and attrition adjustments.	WP-LA-4	Manual Inputs
13	<u>WP-LA-8</u>	Summary of Shared Services Labor	Summary of PNMR Services Company Labor, Base Period, Adjusted Base Period, Linkage data and Test Period amounts.	WP SS-Shared Services.xlsx; WP SS-2, WP SS-3, WP SS-8, WP SS- 13, WP SS-14	WP-LA-9, WP-LA-10
14	<u>WP-LA-9</u>	PNMR Services Normalized Labor	Calculates normalization of PNMR Services Company labor, excluding overtime, for Base Period, and development of Linkage data and Test Period labor expenses with escalation, and associated payroll taxes (unallocated share).	WP-LA-8 WP SS-Shared Services.xlsx; WP SS-8, WP SS-13, WP SS-14	Manual Inputs
15	<u>WP-LA-10</u>	PNMR Services Overtime	Calculates PNMR Services Company overtime expenses for Linkage data and Test Period, using labor escalation rates, and associated payroll taxes (unallocated share).	WP-LA-8 WP SS-Shared Services.xlsx; WP SS-8, WP SS-13, WP SS-14	Manual Inputs

	A	B	C	D	E	F
1	PNM Exhibit HEM-4					
2	WP LA-1:Summary of PNM Direct Labor					
3	PNM labor (excluding San Juan and Shared Services)					
4	Base Period data is historical information from the Company's Books and Records.					
5	Hyperlink to Lead Sheet					
6						
7						Column D + Column E
8				WP LA-2, Column G	WP LA-3, Column D	WP OM-3, Column J
9	Description	FERC	Unadjusted Base Period	PNM Labor Normalized Adjustment	PNM Overtime Adjustments	Total Base Period Adjustments
15	Total Operation Supervision and Engineering	500	431,329	54,572	-	54,572
22	Total Oper-Steam Expense-Major	502	116,465	(30,223)	-	(30,223)
24	Total Oper-Steam-Other Sources	503	(342)	342	-	342
32	Total Oper-Electric Exp-Major	505	1,335,471	47,251	-	47,251
39	Total Oper-Misc Steam Power Exp	506	57,102	(4,347)	-	(4,347)
45	Total Maint-Sup & Eng-Steam	510	110,590	7,074	-	7,074
53	Total Maint-Structures-Steam	511	294,361	50,883	-	50,883
61	Total Maint-Boiler Plant	512	177,673	137,426	-	137,426
68	Total Maint-Electric Plant	513	148,363	(334)	-	(334)
71	Total Maint-Misc Steam Plant	514	4,532	(4,532)	-	(4,532)
75	Total Oper-Sup & Eng-Nuclear	517	5,035	(5,035)	-	(5,035)
83	Total Oper-Sup & Eng-Other	546	551,010	636	-	636
88	Total Oper-Oth Pwr Gen Exp-Other	549	35,101	(35,101)	-	(35,101)
95	Total Oper-Oth Pwr Gen Exp-Other - Renewables	549	130,736	70,244	-	70,244
100	Total Maint-Structures-Fuel	552	280,156	102,421	-	102,421
108	Total Maint-Gen & Elec Plant	553	1,902,856	(39,374)	-	(39,374)
117	Total Oper-Load Dispatch-Sys Ctl	556	1,338,038	4,910	-	4,910
127	Total Oper-Sup & Eng-ETrans	560	1,475,439	(57,010)	-	(57,010)
135	Total Oper-Load Dispatch-ETrans	561	615,529	22,419	-	22,419
143	Total Oper-Station Exp-ETrans	562	282,554	(95,313)	-	(95,313)
147	Total Oper-Overhead Lines-ETrans	563	61,697	34,551	-	34,551
155	Total Oper-Misc Transmission-E	566	651,739	(83,640)	-	(83,640)
160	Total Maint Sup & Eng-ETrans	568	6,224	(6,224)	-	(6,224)
164	Total Maint-Structures-ETrans	569	1,731	(1,531)	-	(1,531)
172	Total Maint-Sta Equip-ETrans	570	2,084,521	(7,809)	-	(7,809)

	A	B	C	D	E	F
1	PNM Exhibit HEM-4					
2	WP LA-1:Summary of PNM Direct Labor					
3	PNM labor (excluding San Juan and Shared Services)					
4	Base Period data is historical information from the Company's Books and Records.					
5	Hyperlink to Lead Sheet					
6						
7						Column D + Column E
8				WP LA-2, Column G	WP LA-3, Column D	WP OM-3, Column J
9	Description	FERC	Unadjusted Base Period	PNM Labor Normalized Adjustment	PNM Overtime Adjustments	Total Base Period Adjustments
178	Total Maint-Overhead Lns-ETrans	571	132,222	40,889	-	40,889
182	Total Maint-Trans Plant-NonMaj-E	574	14,090	(4,671)	-	(4,671)
191	Total Oper-Sup & Eng-EDist	580	1,416,424	14,374	-	14,374
195	Total Oper-Station Exp-EDist	582	10,776	3,030	-	3,030
204	Total Oper-Overhead Lines-EDist	583	1,972,356	(132,447)	-	(132,447)
209	Total Oper-Undergrd Line-EDist	584	525,067	(40,628)	-	(40,628)
215	Total Oper-Street Light/Signal-E	585	76,343	3,330	-	3,330
223	Total Oper-Meter Expense-EDist	586	2,286,971	500,964	-	500,964
234	Total Oper-Misc Dist Exp-EDist	588	3,985,316	101,437	-	101,437
241	Total Maint-Sup & Eng-EDist	590	106,909	(45,347)	-	(45,347)
249	Total Maint-Station Equip-EDist	592	757,333	32,593	-	32,593
257	Total Maint-Overhead Lns-EDist	593	592,594	(142,416)	-	(142,416)
265	Total Maint-Und Lines-EDist	594	634,605	(255,543)	-	(255,543)
273	Total Maint-Streetlight/Signal-E	596	763,381	(160,368)	-	(160,368)
280	Total Maint-Meters-EDist	597	267,385	(18,896)	-	(18,896)
287	Total Supervision-Customer Accts	901	117,963	(13,348)	-	(13,348)
295	Total Meter Reading Expenses	902	3,410,928	(52,295)	-	(52,295)
304	Total Customer Record and Coll	903	4,177,700	141,972	-	141,972
311	Total Cust Service/Inf Expenses	906	274,592	(8,586)	-	(8,586)
317	Total Customer Assistance Exps	908	432,960	(87,682)	-	(87,682)
325	Total Demo & Selling Expenses	912	3,636,306	60,259	-	60,259
327	Total Advertising Expense	913	-	-	-	-
335	Total Admin and General Salaries - Production	920	336,101	76,706	-	76,706
344	Total Admin and General Salaries - Transmission	920	433,623	35,018	-	35,018
353	Total Admin and General Salaries - Distribution	920	2,229,472	100,474	-	100,474
358	Total Admin and General Salaries - Renewables	920	733	(542)	-	(542)
360	Total Injuries or Damages-Safety - Production	925	(875,313)	-	-	-
365	Total Injuries or Damages-Safety - Transmission	925	(383,624)	(1,631)	-	(1,631)

	A	B	C	D	E	F
1	PNM Exhibit HEM-4					
2	WP LA-1:Summary of PNM Direct Labor					
3	PNM labor (excluding San Juan and Shared Services)					
4	Base Period data is historical information from the Company's Books and Records.					
5	Hyperlink to Lead Sheet					
6						
7						Column D + Column E
8				WP LA-2, Column G	WP LA-3, Column D	WP OM-3, Column J
9	Description	FERC	Unadjusted Base Period	PNM Labor Normalized Adjustment	PNM Overtime Adjustments	Total Base Period Adjustments
371	Total Injuries or Damages-Safety - Distribution	925	(1,172,585)	(3,648)	-	(3,648)
373	Total Employee Pension and Benefits - Production	926	(10,019,368)	-	-	-
375	Total Employee Pension and Benefits - Transmission	926	(1,549,789)	-	-	-
377	Total Employee Pension and Benefits - Distribution	926	(4,685,997)	-	-	-
383	Total Regulatory Commission Exp - Transmission	928	98,073	(6,448)	-	(6,448)
389	Total Regulatory Commission Exp - Distribution	928	395,005	(25,970)	-	(25,970)
397	Total Maint of General Plant - Production	935	8	(8)	-	(8)
406	Total Maint of General Plant - Transmission	935	408,499	(188,078)	-	(188,078)
415	Total Maint of General Plant - Distribution	935	187,355	(48,033)	-	(48,033)
416						
417	Total PNM Labor		23,092,327	36,717	-	36,717
418						
419	For Informational Purposes					
420	PNM Labor (Non-Overtime)		37,821,708	36,717	-	36,717
421	PNM Overtime		3,940,146	-	-	-
422	PNM Labor Loads		(18,669,527)	-	-	-
423	Total PNM Labor		23,092,327	36,717	-	36,717
424						
425	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.					
426	Note 1: Wages and Salaries Allocation calculation excludes labor loads for Injuries and Damages and Pension and Benefits.					

	A	B	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)					
4	Base Period data is historical information from the Company's Books and Record:					
5	Hyperlink to Lead Sheet					
6						
7			Column C + Column F			
8			WP OM-4, Column I			WP OM-4, Column V
9	Description	FERC	Adjusted Base Period	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Test Period WP LA-2, Col AS & WP LA-3, Col AP
15	Total Operation Supervision and Engineering	500	485,901	461,856	448,216	461,112
22	Total Oper-Steam Expense-Major	502	86,242	86,533	87,398	89,446
24	Total Oper-Steam-Other Sources	503	-	-	-	-
32	Total Oper-Electric Exp-Major	505	1,382,722	1,387,406	1,401,298	1,434,168
39	Total Oper-Misc Steam Power Exp	506	52,755	50,278	48,894	50,287
45	Total Maint-Sup & Eng-Steam	510	117,665	111,842	108,539	111,662
53	Total Maint-Structures-Steam	511	345,244	342,518	343,177	351,576
61	Total Maint-Boiler Plant	512	315,099	314,740	316,875	324,421
68	Total Maint-Electric Plant	513	148,028	143,977	142,186	146,016
71	Total Maint-Misc Steam Plant	514	-	-	-	-
75	Total Oper-Sup & Eng-Nuclear	517	-	-	-	-
83	Total Oper-Sup & Eng-Other	546	551,645	525,004	509,997	524,671
88	Total Oper-Oth Pwr Gen Exp-Other	549	-	-	-	-
95	Total Oper-Oth Pwr Gen Exp-Other - Renewables	549	200,980	167,098	168,763	172,705
100	Total Maint-Structures-Fuel	552	382,577	374,745	372,010	381,614
108	Total Maint-Gen & Elec Plant	553	1,863,482	1,869,023	1,887,187	1,931,513
117	Total Oper-Load Dispatch-Sys Ctl	556	1,342,948	1,279,285	1,243,622	1,279,405
127	Total Oper-Sup & Eng-ETrans	560	1,418,429	1,335,029	1,285,792	1,322,788
135	Total Oper-Load Dispatch-ETrans	561	637,948	605,666	587,239	604,136
143	Total Oper-Station Exp-ETrans	562	187,240	185,928	186,399	190,856
147	Total Oper-Overhead Lines-ETrans	563	96,248	96,572	97,538	99,823
155	Total Oper-Misc Transmission-E	566	568,099	541,737	527,022	541,586
160	Total Maint Sup & Eng-ETrans	568	-	-	-	-
164	Total Maint-Structures-ETrans	569	200	201	203	207
172	Total Maint-Sta Equip-ETrans	570	2,076,712	2,056,629	2,057,909	2,108,213

	A	B	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)					
4	Base Period data is historical information from the Company's Books and Record:					
5	Hyperlink to Lead Sheet					
6						
7			Column C + Column F			
8			WP OM-4, Column I			WP OM-4, Column V
9	Description	FERC	Adjusted Base Period	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Test Period WP LA-2, Col AS & WP LA-3, Col AP
178	Total Maint-Overhead Lns-ETrans	571	173,111	173,690	175,423	179,525
182	Total Maint-Trans Plant-NonMaj-E	574	9,419	9,450	9,544	9,767
191	Total Oper-Sup & Eng-EDist	580	1,430,798	1,111,116	889,777	915,173
195	Total Oper-Station Exp-EDist	582	13,806	11,232	9,467	9,731
204	Total Oper-Overhead Lines-EDist	583	1,839,909	1,785,508	1,759,986	1,801,297
209	Total Oper-Undergrd Line-EDist	584	484,439	469,502	462,314	473,174
215	Total Oper-Street Light/Signal-E	585	79,673	80,171	81,167	83,502
223	Total Oper-Meter Expense-EDist	586	2,787,935	2,653,125	2,576,241	2,636,980
234	Total Oper-Misc Dist Exp-EDist	588	4,086,753	3,659,101	3,379,402	3,465,522
241	Total Maint-Sup & Eng-EDist	590	61,562	48,966	40,287	41,441
249	Total Maint-Station Equip-EDist	592	789,925	719,472	674,277	690,902
257	Total Maint-Overhead Lns-EDist	593	450,178	416,133	394,822	404,600
265	Total Maint-Und Lines-EDist	594	379,063	364,560	357,029	365,454
273	Total Maint-Streetlight/Signal-E	596	603,013	577,717	564,143	577,376
280	Total Maint-Meters-EDist	597	248,490	226,856	213,023	218,275
287	Total Supervision-Customer Accts	901	104,615	105,269	106,576	109,643
295	Total Meter Reading Expenses	902	3,358,633	3,379,621	3,421,600	3,520,043
304	Total Customer Record and Coll	903	4,319,673	4,346,624	4,400,579	4,527,109
311	Total Cust Service/Inf Expenses	906	266,007	267,669	270,994	278,792
317	Total Customer Assistance Exps	908	345,278	347,436	351,752	361,873
325	Total Demo & Selling Expenses	912	3,696,565	3,719,669	3,765,876	3,874,232
327	Total Advertising Expense	913	-	-	-	-
335	Total Admin and General Salaries - Production	920	412,807	415,387	420,547	432,647
344	Total Admin and General Salaries - Transmission	920	468,641	471,570	477,427	491,164
353	Total Admin and General Salaries - Distribution	920	2,329,946	2,249,861	2,210,090	2,273,679
358	Total Admin and General Salaries - Renewables	920	192	-	-	-
360	Total Injuries or Damages-Safety - Production	925	(875,313)	(1,601,409)	(1,400,301)	(733,407)
365	Total Injuries or Damages-Safety - Transmission	925	(385,255)	(932,489)	(936,680)	(193,408)

	A	B	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)					
4	Base Period data is historical information from the Company's Books and Record:					
5	Hyperlink to Lead Sheet					
6						
7			Column C + Column F			
8			WP OM-4, Column I			WP OM-4, Column V
9	Description	FERC	Adjusted Base Period	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Test Period WP LA-2, Col AS & WP LA-3, Col AP
371	Total Injuries or Damages-Safety - Distribution	925	(1,176,234)	(2,010,952)	(2,048,546)	(1,182,609)
373	Total Employee Pension and Benefits - Production	926	(10,019,368)	(8,770,741)	(8,763,376)	(8,367,893)
375	Total Employee Pension and Benefits - Transmission	926	(1,549,789)	(1,206,772)	(1,200,031)	(860,265)
377	Total Employee Pension and Benefits - Distribution	926	(4,685,997)	(6,084,238)	(6,110,811)	(5,233,611)
383	Total Regulatory Commission Exp - Transmission	928	91,625	92,198	93,343	96,029
389	Total Regulatory Commission Exp - Distribution	928	369,035	356,350	350,050	360,122
397	Total Maint of General Plant - Production	935	-	-	-	-
406	Total Maint of General Plant - Transmission	935	220,421	221,174	223,394	228,646
415	Total Maint of General Plant - Distribution	935	139,323	135,202	133,269	136,489
416						
417	Total PNM Labor		23,129,044	19,744,092	19,172,920	24,118,197
418						
419	For Informational Purposes					
420	PNM Labor (Non-Overtime)		37,858,425	36,407,502	35,647,750	36,606,464
421	PNM Overtime		3,940,146	3,955,892	3,997,533	4,095,840
422	PNM Labor Loads		(18,669,527)	(20,619,302)	(20,472,363)	(16,584,106)
423	Total PNM Labor		23,129,044	19,744,092	19,172,920	24,118,197
424						
425	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.					
426	Note 1: Wages and Salaries Allocation calculation excludes labor loads for Injuries and Damages and Pension and Benefits.					

	A	B	K	L	M
1	PNM Exhibit HEM-4				
2	WP LA-1:Summary of PNM Direct Labor				
3	PNM labor (excluding San Juan and Shared Services)				
4	Base Period data is historical information from the Company's Books and Record.				
5	Hyperlink to Lead Sheet				
6					
7					
8					
9	Description	FERC	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
15	Total Operation Supervision and Engineering	500	(24,789)	-5.10%	Headcount reduction offset by escalation adjustment
22	Total Oper-Steam Expense-Major	502	3,204	3.71%	Escalation Adjustment
24	Total Oper-Steam-Other Sources	503	-	N/A	N/A
32	Total Oper-Electric Exp-Major	505	51,446	3.72%	Escalation Adjustment
39	Total Oper-Misc Steam Power Exp	506	(2,467)	-4.68%	Headcount reduction offset by escalation adjustment
45	Total Maint-Sup & Eng-Steam	510	(6,003)	-5.10%	Headcount reduction offset by escalation adjustment
53	Total Maint-Structures-Steam	511	6,332	1.83%	Escalation Adjustment
61	Total Maint-Boiler Plant	512	9,321	2.96%	Escalation Adjustment
68	Total Maint-Electric Plant	513	(2,013)	-1.36%	FTE Headcount reduction offset by labor escalations
71	Total Maint-Misc Steam Plant	514	-	N/A	N/A
75	Total Oper-Sup & Eng-Nuclear	517	-	N/A	N/A
83	Total Oper-Sup & Eng-Other	546	(26,974)	-4.89%	FTE Headcount reduction offset by labor escalations
88	Total Oper-Oth Pwr Gen Exp-Other	549	-	N/A	N/A
95	Total Oper-Oth Pwr Gen Exp-Other - Renewables	549	(28,275)	-14.07%	FTE Headcount reduction offset by labor escalations
100	Total Maint-Structures-Fuel	552	(963)	-0.25%	FTE Headcount reduction offset by labor escalations
108	Total Maint-Gen & Elec Plant	553	68,031	3.65%	Escalation Adjustment
117	Total Oper-Load Dispatch-Sys Ctl	556	(63,543)	-4.73%	FTE Headcount reduction offset by labor escalations
127	Total Oper-Sup & Eng-ETrans	560	(95,641)	-6.74%	FTE Headcount reduction offset by labor escalations
135	Total Oper-Load Dispatch-ETrans	561	(33,812)	-5.30%	FTE Headcount reduction offset by labor escalations
143	Total Oper-Station Exp-ETrans	562	3,616	1.93%	FTE Headcount reduction offset by labor escalations
147	Total Oper-Overhead Lines-ETrans	563	3,575	3.71%	FTE Headcount reduction offset by labor escalations
155	Total Oper-Misc Transmission-E	566	(26,513)	-4.67%	FTE Headcount reduction offset by labor escalations
160	Total Maint Sup & Eng-ETrans	568	-	N/A	N/A
164	Total Maint-Structures-ETrans	569	7	3.70%	Escalation Adjustment
172	Total Maint-Sta Equip-ETrans	570	31,500	1.52%	FTE Headcount reduction offset by labor escalations

	A	B	K	L	M
1	PNM Exhibit HEM-4				
2	WP LA-1:Summary of PNM Direct Labor				
3	PNM labor (excluding San Juan and Shared Services)				
4	Base Period data is historical information from the Company's Books and Record.				
5	Hyperlink to Lead Sheet				
6					
7					
8					
9	Description	FERC	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
178	Total Maint-Overhead Lns-ETrans	571	6,414	3.70%	Escalation Adjustment
182	Total Maint-Trans Plant-NonMaj-E	574	348	3.70%	Escalation Adjustment
191	Total Oper-Sup & Eng-EDist	580	(515,626)	-36.04%	FTE Headcount reduction offset by labor escalations
195	Total Oper-Station Exp-EDist	582	(4,075)	-29.51%	FTE Headcount reduction offset by labor escalations
204	Total Oper-Overhead Lines-EDist	583	(38,613)	-2.10%	FTE Headcount reduction offset by labor escalations
209	Total Oper-Undergrd Line-EDist	584	(11,265)	-2.33%	FTE Headcount reduction offset by labor escalations
215	Total Oper-Street Light/Signal-E	585	3,829	4.81%	Escalation Adjustment
223	Total Oper-Meter Expense-EDist	586	(150,955)	-5.41%	FTE Headcount reduction offset by labor escalations
234	Total Oper-Misc Dist Exp-EDist	588	(621,231)	-15.20%	FTE Headcount reduction offset by labor escalations
241	Total Maint-Sup & Eng-EDist	590	(20,121)	-32.68%	FTE Headcount reduction offset by labor escalations
249	Total Maint-Station Equip-EDist	592	(99,024)	-12.54%	FTE Headcount reduction offset by labor escalations
257	Total Maint-Overhead Lns-EDist	593	(45,578)	-10.12%	FTE Headcount reduction offset by labor escalations
265	Total Maint-Und Lines-EDist	594	(13,608)	-3.59%	FTE Headcount reduction offset by labor escalations
273	Total Maint-Streetlight/Signal-E	596	(25,637)	-4.25%	FTE Headcount reduction offset by labor escalations
280	Total Maint-Meters-EDist	597	(30,215)	-12.16%	FTE Headcount reduction offset by labor escalations
287	Total Supervision-Customer Accts	901	5,028	4.81%	Escalation Adjustment
295	Total Meter Reading Expenses	902	161,410	4.81%	Escalation Adjustment
304	Total Customer Record and Coll	903	207,436	4.80%	Escalation Adjustment
311	Total Cust Service/Inf Expenses	906	12,785	4.81%	Escalation Adjustment
317	Total Customer Assistance Exps	908	16,595	4.81%	Escalation Adjustment
325	Total Demo & Selling Expenses	912	177,666	4.81%	Escalation Adjustment
327	Total Advertising Expense	913	-	N/A	N/A
335	Total Admin and General Salaries - Production	920	19,841	4.81%	Escalation Adjustment
344	Total Admin and General Salaries - Transmission	920	22,523	4.81%	Escalation Adjustment
353	Total Admin and General Salaries - Distribution	920	(56,266)	-2.41%	FTE Headcount reduction offset by labor escalations
358	Total Admin and General Salaries - Renewables	920	(192)	-100.00%	Specifically forecasted loads
360	Total Injuries or Damages-Safety - Production	925	141,906	-16.21%	Specifically forecasted loads
365	Total Injuries or Damages-Safety - Transmission	925	191,847	-49.80%	Specifically forecasted loads

	A	B	K	L	M
1	PNM Exhibit HEM-4				
2	WP LA-1:Summary of PNM Direct Labor				
3	PNM labor (excluding San Juan and Shared Services)				
4	Base Period data is historical information from the Company's Books and Record:				
5	Hyperlink to Lead Sheet				
6					
7					
8					
9	Description	FERC	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
371	Total Injuries or Damages-Safety - Distribution	925	(6,375)	0.54%	Specifically forecasted loads
373	Total Employee Pension and Benefits - Production	926	1,651,475	-16.48%	Specifically forecasted loads
375	Total Employee Pension and Benefits - Transmission	926	689,523	-44.49%	Specifically forecasted loads
377	Total Employee Pension and Benefits - Distribution	926	(547,614)	11.69%	Specifically forecasted loads
383	Total Regulatory Commission Exp - Transmission	928	4,404	4.81%	Escalation Adjustment
389	Total Regulatory Commission Exp - Distribution	928	(8,913)	-2.42%	Headcount reduction offset by escalation adjustment
397	Total Maint of General Plant - Production	935	-	N/A	N/A
406	Total Maint of General Plant - Transmission	935	8,225	3.73%	Escalation Adjustment
415	Total Maint of General Plant - Distribution	935	(2,833)	-2.03%	Headcount reduction offset by escalation adjustment
416					
417	Total PNM Labor		989,154		
418					
419	For Informational Purposes				
420	PNM Labor (Non-Overtime)		(1,251,960)		
421	PNM Overtime		155,694		
422	PNM Labor Loads		2,085,420		
423	Total PNM Labor		989,154		
424					
425	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.				
426	Note 1: Wages and Salaries Allocation calculation excludes labor loads for Injuries and Damages and Pension and Benefits.				

	A	B	N	U	AB	AC
1	PNM Exhibit HEM-4					
2	WP LA-1:Summary of PNM Direct Labor					
3	PNM labor (excluding San Juan and Shared Services)					
4	Base Period data is historical information from the Company's Books and Record:					
5	Hyperlink to Lead Sheet					
6						
7						
8						
9	Description	FERC	Allocator	Total Base Period W&S Allocation (Note 1)	Total Test Period W&S Allocation (Note 1)	W&S Allocator Category
15	Total Operation Supervision and Engineering	500	Gen Dmd	485,901	461,112	Production Wages and Salaries
22	Total Oper-Steam Expense-Major	502	Gen Dmd	86,242	89,446	Production Wages and Salaries
24	Total Oper-Steam-Other Sources	503	Gen Dmd	-	-	Production Wages and Salaries
32	Total Oper-Electric Exp-Major	505	Gen Dmd	1,382,722	1,434,168	Production Wages and Salaries
39	Total Oper-Misc Steam Power Exp	506	Gen Dmd	52,755	50,287	Production Wages and Salaries
45	Total Maint-Sup & Eng-Steam	510	Energy	117,665	111,662	Production Wages and Salaries
53	Total Maint-Structures-Steam	511	Gen Dmd	345,244	351,576	Production Wages and Salaries
61	Total Maint-Boiler Plant	512	Energy	315,099	324,421	Production Wages and Salaries
68	Total Maint-Electric Plant	513	Energy	148,028	146,016	Production Wages and Salaries
71	Total Maint-Misc Steam Plant	514	Gen Dmd	-	-	Production Wages and Salaries
75	Total Oper-Sup & Eng-Nuclear	517	Gen Dmd	-	-	Production Wages and Salaries
83	Total Oper-Sup & Eng-Other	546	Energy	551,645	524,671	Production Wages and Salaries
88	Total Oper-Oth Pwr Gen Exp-Other	549	Energy	-	-	Production Wages and Salaries
95	Total Oper-Oth Pwr Gen Exp-Other - Renewables	549	Renewables	197,162	172,705	Production Wages and Salaries
100	Total Maint-Structures-Fuel	552	Gen Dmd	382,577	381,614	Production Wages and Salaries
108	Total Maint-Gen & Elec Plant	553	Energy	1,863,482	1,931,513	Production Wages and Salaries
117	Total Oper-Load Dispatch-Sys Ctl	556	Gen Dmd	1,342,948	1,279,405	Production Wages and Salaries
127	Total Oper-Sup & Eng-ETrans	560	Trans Dmd	1,418,161	1,322,788	Transmission Wages and Salaries
135	Total Oper-Load Dispatch-ETrans	561	Trans Dmd	637,948	604,136	Transmission Wages and Salaries
143	Total Oper-Station Exp-ETrans	562	Trans Dmd	187,240	190,856	Transmission Wages and Salaries
147	Total Oper-Overhead Lines-ETrans	563	Trans Dmd	96,248	99,823	Transmission Wages and Salaries
155	Total Oper-Misc Transmission-E	566	Trans Dmd	568,099	541,586	Transmission Wages and Salaries
160	Total Maint Sup & Eng-ETrans	568	Trans Dmd	-	-	Transmission Wages and Salaries
164	Total Maint-Structures-ETrans	569	Trans Dmd	200	207	Transmission Wages and Salaries
172	Total Maint-Sta Equip-ETrans	570	Trans Dmd	2,076,712	2,108,213	Transmission Wages and Salaries

	A	B	N	U	AB	AC
1	PNM Exhibit HEM-4					
2	WP LA-1:Summary of PNM Direct Labor					
3	PNM labor (excluding San Juan and Shared Services)					
4	Base Period data is historical information from the Company's Books and Record:					
5	Hyperlink to Lead Sheet					
6						
7						
8						
9	Description	FERC	Allocator	Total Base Period W&S Allocation (Note 1)	Total Test Period W&S Allocation (Note 1)	W&S Allocator Category
178	Total Maint-Overhead Lns-ETrans	571	Trans Dmd	173,111	179,525	Transmission Wages and Salaries
182	Total Maint-Trans Plant-NonMaj-E	574	Trans Dmd	9,419	9,767	Transmission Wages and Salaries
191	Total Oper-Sup & Eng-EDist	580	Retail	1,430,798	915,173	Distribution Wages and Salaries
195	Total Oper-Station Exp-EDist	582	Retail	13,806	9,731	Distribution Wages and Salaries
204	Total Oper-Overhead Lines-EDist	583	Retail	1,839,785	1,801,297	Distribution Wages and Salaries
209	Total Oper-Undergrd Line-EDist	584	Retail	484,439	473,174	Distribution Wages and Salaries
215	Total Oper-Street Light/Signal-E	585	Retail	79,673	83,502	Distribution Wages and Salaries
223	Total Oper-Meter Expense-EDist	586	Retail	2,787,935	2,636,980	Distribution Wages and Salaries
234	Total Oper-Misc Dist Exp-EDist	588	Retail	4,086,938	3,465,522	Distribution Wages and Salaries
241	Total Maint-Sup & Eng-EDist	590	Retail	61,562	41,441	Distribution Wages and Salaries
249	Total Maint-Station Equip-EDist	592	Retail	789,925	690,902	Distribution Wages and Salaries
257	Total Maint-Overhead Lns-EDist	593	Retail	450,178	404,600	Distribution Wages and Salaries
265	Total Maint-Und Lines-EDist	594	Retail	378,870	365,454	Distribution Wages and Salaries
273	Total Maint-Streetlight/Signal-E	596	Retail	602,665	577,376	Distribution Wages and Salaries
280	Total Maint-Meters-EDist	597	Retail	248,490	218,275	Distribution Wages and Salaries
287	Total Supervision-Customer Accts	901	Retail	104,615	109,643	Customer Accounting
295	Total Meter Reading Expenses	902	Retail	3,358,633	3,520,043	Customer Accounting
304	Total Customer Record and Coll	903	Retail	4,319,673	4,527,109	Customer Accounting
311	Total Cust Service/Inf Expenses	906	Retail	266,007	278,792	Cust Service & Information
317	Total Customer Assistance Exps	908	Retail	345,278	361,873	Cust Service & Information
325	Total Demo & Selling Expenses	912	Sales	3,696,565	3,874,232	Sales
327	Total Advertising Expense	913	Retail	-	-	Sales
335	Total Admin and General Salaries - Production	920	Gen Dmd	412,807	432,647	Administrative and General
344	Total Admin and General Salaries - Transmission	920	Trans W&S	468,641	491,164	Administrative and General
353	Total Admin and General Salaries - Distribution	920	Retail	2,329,946	2,273,679	Administrative and General
358	Total Admin and General Salaries - Renewables	920	Renewables	-	-	Administrative and General
360	Total Injuries or Damages-Safety - Production	925	Gen Dmd	-	-	Administrative and General
365	Total Injuries or Damages-Safety - Transmission	925	Trans W&S	2,570	2,665	Administrative and General

	A	B	N	U	AB	AC
1	PNM Exhibit HEM-4					
2	WP LA-1:Summary of PNM Direct Labor					
3	PNM labor (excluding San Juan and Shared Services)					
4	Base Period data is historical information from the Company's Books and Record:					
5	Hyperlink to Lead Sheet					
6						
7						
8						
9	Description	FERC	Allocator	Total Base Period W&S Allocation (Note 1)	Total Test Period W&S Allocation (Note 1)	W&S Allocator Category
371	Total Injuries or Damages-Safety - Distribution	925	Retail	10,378	10,248	Administrative and General
373	Total Employee Pension and Benefits - Production	926	Gen Dmd	-	-	Administrative and General
375	Total Employee Pension and Benefits - Transmission	926	Trans W&S	-	-	Administrative and General
377	Total Employee Pension and Benefits - Distribution	926	Retail	-	-	Administrative and General
383	Total Regulatory Commission Exp - Transmission	928	Trans W&S	91,625	96,029	Administrative and General
389	Total Regulatory Commission Exp - Distribution	928	Retail	369,035	360,122	Administrative and General
397	Total Maint of General Plant - Production	935	Gen Dmd	-	-	Administrative and General
406	Total Maint of General Plant - Transmission	935	Trans W&S	220,421	228,646	Administrative and General
415	Total Maint of General Plant - Distribution	935	Retail	139,323	136,489	Administrative and General
416						
417	Total PNM Labor			41,829,190	40,702,304	
418						
419	For Informational Purposes					
420	PNM Labor (Non-Overtime)					
421	PNM Overtime					
422	PNM Labor Loads					
423	Total PNM Labor					
424						
425	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.					
426	Note 1: Wages and Salaries Allocation calculation excludes labor loads for Injuries and Damages and Pension and Benefits.					

	A	B	C	D	E	F	G	AQ	AR	AS
1	PNM Exhibit HEM-4									
2	WP LA-2: PNM Normalized Labor (Excluding SJGS and Shared Services)									
3	PNM labor (excluding San Juan and Shared Services) consists of straight-time, miscellaneous pay pension eligible, paid absence, vacation, illness, holiday, time off allowances, system operations labor, switchyard labor, Pension and Benefits Load, and Injuries and Damages Load. See WP LA-3 for overtime.									
4										
5	Base Period data is historical information from the Company's Books and Records.									
6	Hyperlink to Lead Sheet									
7							Column F - Column D			WP LA-1, Column H
8	Description	FERC	FERC - Union/Non-Union	Unadjusted Base Period	June 17, 2016 Pay Period	Normalize Base Period Column D*26 (Note 1)	Base Period Adjustment	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Total Test Period
14	Total Operation Supervision and Engineering	500	500 - NU Total	431,329	18,689	485,901	54,572	461,856	448,216	461,112
19	Total Oper-Steam Expense-Major	502	502 - NU Total	5,847	-	-	(5,847)	-	-	-
24	Total Oper-Steam Expense-Major	502	502 - U Total	67,075	1,642	42,699	(24,376)	42,842	43,269	44,279
26	Total Oper-Steam-Other Sources	503	503 - U Total	(342)	-	-	342	-	-	-
33	Total Oper-Electric Exp-Major	505	505 - NU Total	(3,398)	-	-	3,398	-	-	-
39	Total Oper-Electric Exp-Major	505	505 - U Total	884,587	35,709	928,441	43,854	931,535	940,820	962,793
45	Total Oper-Misc Steam Power Exp	506	506 - NU Total	52,635	1,931	50,219	(2,417)	47,734	46,324	47,657
48	Total Oper-Misc Steam Power Exp	506	506 - U Total	1,931	-	-	(1,931)	-	-	-
54	Total Maint-Sup & Eng-Steam	510	510 - NU Total	110,590	4,526	117,665	7,074	111,842	108,539	111,662
60	Total Maint-Structures-Steam	511	511 - NU Total	(9,952)	2,829	73,558	83,510	69,918	67,853	69,805
66	Total Maint-Structures-Steam	511	511 - U Total	254,697	8,541	222,071	(32,626)	222,811	225,032	230,288
73	Total Maint-Boiler Plant	512	512 - NU Total	35,033	1,031	26,801	(8,232)	25,475	24,722	25,434
79	Total Maint-Boiler Plant	512	512 - U Total	124,862	10,405	270,520	145,658	271,422	274,127	280,530
85	Total Maint-Electric Plant	513	513 - NU Total	71,702	3,339	86,801	15,099	82,506	80,069	82,373
87	Total Maint-Electric Plant	513	513 - U Total	34,019	715	18,585	(15,434)	18,647	18,833	19,273
90	Total Maint-Misc Steam Plant	514	514 - NU Total	4,532	-	-	(4,532)	-	-	-
94	Total Oper-Sup & Eng-Nuclear	517	517 - NU Total	5,035	-	-	(5,035)	-	-	-
101	Total Oper-Sup & Eng-Other	546	546 - NU Total	539,219	20,764	539,855	636	513,140	497,985	512,314
106	Total Oper-Oth Pwr Gen Exp-Other	549	549 - NU Total	35,101	-	-	(35,101)	-	-	-
113	Total Oper-Oth Pwr Gen Exp-Other	549	549 - NU Renew Total	130,736	6,405	200,980	70,244	167,098	168,763	172,705
117	Total Maint-Structures-Fuel	552	552 - NU Total	138,258	6,651	172,934	34,677	164,376	159,522	164,112
120	Total Maint-Structures-Fuel	552	552 - U Total	95,872	6,293	163,616	67,744	164,161	165,797	169,670
127	Total Maint-Gen & Elec Plant	553	553 - NU Total	95,453	557	14,487	(80,966)	13,771	13,364	13,748
133	Total Maint-Gen & Elec Plant	553	553 - U Total	1,342,677	53,241	1,384,269	41,592	1,388,883	1,402,726	1,435,487
141	Total Oper-Load Dispatch-Sys Ctl	556	556 - NU Total	1,287,891	84,393	1,292,801	4,910	1,228,825	1,192,535	1,226,847
150	Total Oper-Sup & Eng-ETrans	560	560 - NU Total	1,474,068	54,492	1,417,057	(57,010)	1,333,649	1,284,394	1,321,350
157	Total Oper-Load Dispatch-ETrans	561	561 - NU Total	536,156	45,478	558,575	22,419	525,796	506,377	520,947
164	Total Oper-Station Exp-ETrans	562	562 - NU Total	80,094	3,006	30,832	(49,262)	29,023	27,951	28,755
169	Total Oper-Station Exp-ETrans	562	562 - U Total	175,978	4,997	129,926	(46,052)	130,359	131,659	134,733
172	Total Oper-Overhead Lines-ETrans	563	563 - NU Total	6,551	-	-	(6,551)	-	-	-
174	Total Oper-Overhead Lines-ETrans	563	563 - U Total	42,357	3,210	83,459	41,102	83,737	84,572	86,547
181	Total Oper-Misc Transmission-E	566	566 - NU Total	462,980	17,530	455,772	(7,208)	429,027	413,182	425,070

	A	B	C	D	E	F	G	AQ	AR	AS
1	PNM Exhibit HEM-4									
2	WP LA-2: PNM Normalized Labor (Excluding SJGS and Shared Services)									
3	PNM labor (excluding San Juan and Shared Services) consists of straight-time, miscellaneous pay pension eligible, paid absence, vacation, illness, holiday, time off allowances, system operations labor, switchyard labor, Pension and Benefits Load, and Injuries and Damages Load. See WP LA-3 for overtime.									
4										
5	Base Period data is historical information from the Company's Books and Records.									
6	Hyperlink to Lead Sheet									
7							Column F - Column D			WP LA-1, Column H
8	Description	FERC	FERC - Union/Non-Union	Unadjusted Base Period	June 17, 2016 Pay Period	Normalize Base Period Column D*26 (Note 1)	Base Period Adjustment	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Total Test Period
187	Total Oper-Misc Transmission-E	566	566 - U Total	150,555	2,851	74,123	(76,432)	74,370	75,111	76,865
192	Total Maint Sup & Eng-ETrans	568	568 - NU Total	6,224	-	-	(6,224)	-	-	-
194	Total Maint-Structures-ETrans	569	569 - NU Total	207	-	-	(207)	-	-	-
196	Total Maint-Structures-ETrans	569	569 - U Total	1,323	-	-	(1,323)	-	-	-
203	Total Maint-Sta Equip-ETrans	570	570 - NU Total	442,136	16,781	436,304	(5,833)	410,700	395,532	406,913
209	Total Maint-Sta Equip-ETrans	570	570 - U Total	1,213,864	46,611	1,211,888	(1,976)	1,215,928	1,228,047	1,256,728
214	Total Maint-Overhead Lns-ETrans	571	571 - NU Total	28,132	-	-	(28,132)	-	-	-
216	Total Maint-Overhead Lns-ETrans	571	571 - U Total	79,011	5,694	148,031	69,020	148,525	150,005	153,508
219	Total Maint-Trans Plant-NonMaj-E	574	574 - NU Total	632	-	-	(632)	-	-	-
221	Total Maint-Trans Plant-NonMaj-E	574	574 - U Total	4,039	-	-	(4,039)	-	-	-
229	Total Oper-Sup & Eng-EDist	580	580 - NU Total	1,433,511	58,350	1,524,106	90,595	1,206,984	988,263	1,016,699
235	Total Oper-Sup & Eng-EDist	580	580 - U Total	116,745	1,559	40,523	(76,221)	38,800	37,854	38,738
238	Total Oper-Station Exp-EDist	582	582 - NU Total	5,777	477	12,396	6,619	9,817	8,038	8,269
240	Total Oper-Station Exp-EDist	582	582 - U Total	3,589	-	-	(3,589)	-	-	-
248	Total Oper-Overhead Lines-EDist	583	583 - NU Total	243,166	-	124	(243,042)	-	-	-
253	Total Oper-Overhead Lines-EDist	583	583 - U Total	1,209,230	50,762	1,319,825	110,594	1,263,705	1,232,890	1,261,684
257	Total Oper-Undergrd Line-EDist	584	584 - NU Total	55,098	-	-	(55,098)	-	-	-
260	Total Oper-Undergrd Line-EDist	584	584 - U Total	347,207	13,911	361,676	14,470	346,298	337,853	345,744
266	Total Oper-Street Light/Signal-E	585	585 - NU Total	76,343	3,064	79,673	3,330	80,171	81,167	83,502
273	Total Oper-Meter Expense-EDist	586	586 - NU Total	(317,593)	5,515	143,384	460,977	113,550	92,973	95,648
279	Total Oper-Meter Expense-EDist	586	586 - U Total	2,442,396	95,476	2,482,383	39,987	2,376,831	2,318,872	2,373,030
289	Total Oper-Misc Dist Exp-EDist	588	588 - NU Total	1,277,586	64,785	1,680,719	403,133	1,331,157	1,089,935	1,121,295
295	Total Oper-Misc Dist Exp-EDist	588	588 - U Total	2,194,473	72,799	1,892,777	(301,696)	1,812,295	1,768,102	1,809,397
301	Total Maint-Sup & Eng-EDist	590	590 - NU Total	100,957	2,329	60,550	(40,407)	47,952	39,262	40,392
304	Total Maint-Sup & Eng-EDist	590	590 - U Total	4,940	-	-	(4,940)	-	-	-
311	Total Maint-Station Equip-EDist	592	592 - NU Total	121,433	9,275	241,161	119,729	190,983	156,374	160,874
317	Total Maint-Station Equip-EDist	592	592 - U Total	569,543	18,554	482,407	(87,136)	461,895	450,631	461,156
323	Total Maint-Overhead Lns-EDist	593	593 - NU Total	230,194	4,946	128,602	(101,592)	101,844	83,388	85,788
329	Total Maint-Sup & Eng-EDist	593	593 - U Total	224,332	7,058	183,508	(40,824)	175,705	171,421	175,424
335	Total Maint-Und Lines-EDist	594	594 - NU Total	110,473	681	17,891	(92,582)	14,016	11,476	11,806
339	Total Maint-Und Lines-EDist	594	594 - U Total	421,262	9,935	258,301	(162,961)	247,318	241,288	246,923
345	Total Maint-Streetlight/Signal-E	596	596 - NU Total	84,358	407	10,934	(73,425)	8,383	6,864	7,062
349	Total Maint-Streetlight/Signal-E	596	596 - U Total	626,261	20,743	539,317	(86,944)	516,385	503,793	515,559
354	Total Maint-Meters-EDist	597	597 - NU Total	91,782	3,004	78,096	(13,686)	61,847	50,639	52,096

	A	B	C	D	E	F	G	AQ	AR	AS
1	PNM Exhibit HEM-4									
2	WP LA-2: PNM Normalized Labor (Excluding SJGS and Shared Services)									
3	PNM labor (excluding San Juan and Shared Services) consists of straight-time, miscellaneous pay pension eligible, paid absence, vacation, illness, holiday, time off allowances, system operations labor, switchyard labor, Pension and Benefits Load, and Injuries and Damages Load. See WP LA-3 for overtime.									
4										
5	Base Period data is historical information from the Company's Books and Records.									
6	Hyperlink to Lead Sheet									
7										
						Normalize Base Period Column D*26 (Note 1)	Column F - Column D	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	WP LA-1, Column H
8	Description	FERC	FERC - Union/Non-Union	Unadjusted Base Period	June 17, 2016 Pay Period		Base Period Adjustment			Total Test Period
359	Total Maint-Meters-EDist	597	597 - U Total	135,043	4,994	129,833	(5,210)	124,313	121,281	124,114
365	Total Supervision-Customer Accts	901	901 - NU Total	115,353	3,923	102,005	(13,348)	102,642	103,917	106,907
372	Total Meter Reading Expenses	902	902 - NU Total	3,141,511	118,966	3,093,109	(48,402)	3,112,441	3,151,105	3,241,771
377	Total Meter Reading Expenses	902	902 - U Total	3,893	-	-	(3,893)	-	-	-
385	Total Customer Record and Coll	903	903 - NU Total	4,058,143	161,770	4,206,518	148,375	4,232,809	4,285,390	4,408,694
389	Total Customer Record and Coll	903	903 - U Total	19,572	506	13,168	(6,403)	13,212	13,344	13,656
395	Total Cust Service/Inf Expenses	906	906 - NU Total	274,066	10,211	265,481	(8,586)	267,140	270,458	278,240
401	Total Customer Assistance Exps	908	908 - NU Total	432,960	13,280	345,278	(87,682)	347,436	351,752	361,873
408	Total Demo & Selling Expenses	912	912 - NU Total	3,542,050	112,543	3,602,309	60,259	3,624,824	3,669,853	3,775,445
410	Total Advertising Expense	913	913 - NU Total	-	-	-	-	-	-	-
418	Total Admin and General Salaries - Production	920	920 - NU Total	336,101	15,877	412,807	76,706	415,387	420,547	432,647
426	Total Admin and General Salaries - Transmission	920	920 - NU Total	433,564	17,931	468,582	35,018	471,511	477,368	491,103
434	Total Admin and General Salaries - Distribution	920	920 - NU Total	2,228,790	89,443	2,329,712	100,921	2,249,626	2,209,852	2,273,436
436	Total Admin and General Salaries - Distribution	920	920 - U Total	448	-	-	(448)	-	-	-
441	Total Admin and General Salaries - Renewables	920	920 - NU Renew Total	733	-	192	(542)	-	-	-
443	Total Injuries or Damages-Safety - Production	925	925 - NU Total	(875,313)	-	(875,313)	-	(1,601,409)	(1,400,301)	(733,407)
448	Total Injuries or Damages-Safety - Transmission	925	925 - NU Total	(387,758)	-	(387,825)	(67)	(935,068)	(939,284)	(196,074)
453	Total Injuries or Damages-Safety - Distribution	925	925 - NU Total	(1,186,149)	-	(1,186,612)	(463)	(2,021,074)	(2,058,560)	(1,192,857)
456	Total Injuries or Damages-Safety - Transmission	925	925 - U Total	4,135	99	2,570	(1,565)	2,579	2,604	2,665
459	Total Injuries or Damages-Safety - Distribution	925	925 - U Total	10,381	277	7,196	(3,185)	6,929	6,790	6,948
461	Total Employee Pension and Benefits - Production	926	926 - NU Total	(10,019,368)	-	(10,019,368)	-	(8,770,741)	(8,763,376)	(8,367,893)
463	Total Employee Pension and Benefits - Transmission	926	926 - NU Total	(1,549,789)	-	(1,549,789)	-	(1,206,772)	(1,200,031)	(860,265)
465	Total Employee Pension and Benefits - Distribution	926	926 - NU Total	(4,685,997)	-	(4,685,997)	-	(6,084,238)	(6,110,811)	(5,233,611)
470	Total Regulatory Commission Exp - Transmission	928	928 - NU Total	98,070	3,524	91,622	(6,448)	92,195	93,340	96,026
475	Total Regulatory Commission Exp - Distribution	928	928 - NU Total	394,991	14,193	369,021	(25,970)	356,336	350,036	360,107
483	Total Maint of General Plant - Production	935	935 - NU Total	8	-	-	(8)	-	-	-
491	Total Maint of General Plant - Transmission	935	935 - NU Total	15,234	1,172	6,304	(8,930)	6,343	6,422	6,607
499	Total Maint of General Plant - Distribution	935	935 - NU Total	51,329	808	21,009	(30,319)	20,287	19,928	20,502
505	Total Maint of General Plant - Transmission	935	935 - U Total	335,899	6,029	156,752	(179,147)	157,274	158,842	162,551
511	Total Maint of General Plant - Distribution	935	935 - U Total	111,523	3,608	93,810	(17,714)	90,330	88,510	90,578
512										
513	Total Labor			19,152,181	1,491,094	19,188,898	36,717	15,788,200	15,175,387	20,022,358
514										
515	Escalation Factors (Note 2):									
516		2017	2018							
517	Non-Union	2.5%	3.0%							
518	Union	2.0%	2.5%							

WP LA-2: PNM Normalized Labor (Excluding SJGS and Shared Services)

	A	B	C	D
1	PNM Exhibit HEM-4			
2	WP LA-2: PNM Normalized Labor (Excluding SJGS and Shared Services)			
3	Notes Page for WP LA-2 - Notes contained on this page relate specifically to data contained in WP LA-2			
4	Hyperlink to Lead Sheet			
5				
6	Employee FTE Headcount	FTE Headcount at 6/17/2016	Changes to Headcount (Note 3)	FTE Headcount at 1/1/2017
7	Production O&M - Union	33	-	33
8	Production O&M - Non-Union	42	(4)	38
9	Transmission O&M - Union	20	-	20
10	Transmission O&M - Non-Union	36	(4)	32
11	Distribution O&M - Union	102	(8)	94
12	Distribution O&M - Non-Union	44	(16)	28
13	Customer Related O&M	220	-	220
14	Production A&G (O&M)	3	-	3
15	Transmission A&G (O&M)	8	-	8
16	Distribution A&G (O&M)	29	(2)	27
17	Total Non-O&M	272	12	284
18	Total PNM	809	(22)	787
19				
20				
21	Note 1:PNM did not annualize cost types 140, 914, 915, 919, and 920 as these reflect a normal annual expense for costs.			
22				
23	Note 2: PNM escalates labor in April for non-union employees at an escalation rate 2.5% for 2017 and 3.0% for 2018. For union employees, PNM escalates labor in May at an escalation rate of 2.0% for 2017 and 2.5% for 2018. Please see the testimony of PNM Witness Monfiletto.			
24	Note 3: PNM functionalized estimated FTE headcount reduction, based on a calculated labor dollar per employee by dividing the total pay period cost by the total number of employees, within each functional group. For further discussion on estimated headcount reductions please refer to the testimony of PNM Witness Monfiletto. PNM reduced the O&M expenses for 34 FTE; however, 12 of the FTE are now assigned to capital, resulting in a net FTE reduction for the Company of 22.			
25	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	AN	AO	AP
1	PNM Exhibit HEM-4							
2	WP LA-3 PNM Overtime (Excluding SJGS and Shared Services)							
3	Base Period data is historical information from the Company's Books and Records.							
4								
5	Hyperlink to Lead Sheet							
6				WP LA-1, Column E		WP LA-1, Column H	WP LA-1, Column I	WP LA-1, Column J
7	FERC - U/NU	FERC	Base Period	Base Period Adjustments	Adjusted Base Period	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Total Test Period
8	502 - U	502	42,402		42,402	42,543	42,967	43,971
9	502 -NU	502	1,141		1,141	1,148	1,162	1,196
10	505 - U	505	428,521		428,521	429,949	434,235	444,376
11	505 -NU	505	25,761		25,761	25,922	26,244	26,999
12	506 - NU	506	71		71	71	72	74
13	506 - U	506	2,465		2,465	2,473	2,498	2,556
14	511 - NU	511	981		981	987	999	1,028
15	511 - U	511	46,738		46,738	46,894	47,361	48,467
16	511 -NU	511	1,897		1,897	1,909	1,933	1,988
17	512 - NU	512	1,094		1,094	1,101	1,114	1,146
18	512 - U	512	15,823		15,823	15,875	16,034	16,408
19	512 -NU	512	862		862	867	878	903
20	513 - NU	513	13,577		13,577	13,661	13,831	14,229
21	513 - U	513	29,065		29,065	29,162	29,453	30,141
22	546 - NU	546	11,790		11,790	11,864	12,011	12,357
23	552 - NU	552	4,252		4,252	4,279	4,332	4,456
24	552 - U	552	36,751		36,751	36,874	37,241	38,111
25	552 -NU	552	5,024		5,024	5,055	5,118	5,265
26	553 - NU	553	377		377	379	384	395
27	553 - U	553	432,456		432,456	433,897	438,222	448,457
28	553 -NU	553	31,893		31,893	32,093	32,491	33,426
29	556 - NU	556	46,395		46,395	46,685	47,265	48,625
30	556 -NU	556	3,752		3,752	3,775	3,822	3,932
31	560 - NU	560	1,372		1,372	1,380	1,397	1,438
32	561 - NU	561	74,036		74,036	74,499	75,424	77,595
33	561 -NU	561	5,337		5,337	5,371	5,437	5,594
34	562 - U	562	35,010		35,010	35,127	35,477	36,305
35	562 -NU	562	(8,528)		(8,528)	(8,581)	(8,688)	(8,938)
36	563 - U	563	11,544		11,544	11,582	11,697	11,971
37	563 -NU	563	1,246		1,246	1,253	1,269	1,305

	A	B	C	D	E	AN	AO	AP
1	PNM Exhibit HEM-4							
2	WP LA-3 PNM Overtime (Excluding SJGS and Shared Services)							
3	Base Period data is historical information from the Company's Books and Records.							
4								
5	Hyperlink to Lead Sheet							
6				WP LA-1, Column E		WP LA-1, Column H	WP LA-1, Column I	WP LA-1, Column J
7	FERC - U/NU	FERC	Base Period	Base Period Adjustments	Adjusted Base Period	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Total Test Period
38	566 - NU	566	1,778		1,778	1,789	1,811	1,863
39	566 - U	566	35,232		35,232	35,350	35,702	36,536
40	566 -NU	566	1,194		1,194	1,202	1,217	1,252
41	569 - U	569	200		200	201	203	207
42	570 - NU	570	285		285	287	291	299
43	570 - U	570	410,803		410,803	412,172	416,280	426,003
44	570 -NU	570	17,432		17,432	17,541	17,759	18,270
45	571 - U	571	24,306		24,306	24,387	24,630	25,206
46	571 -NU	571	773		773	778	788	810
47	574 - U	574	9,419		9,419	9,450	9,544	9,767
48	580 - NU	580	(134,565)		(134,565)	(135,406)	(137,088)	(141,033)
49	580 - U	580	80		80	80	81	83
50	580 -NU	580	654		654	658	666	685
51	582 - U	582	1,410		1,410	1,415	1,429	1,462
52	583 - NU	583	335		335	337	341	351
53	583 - U	583	482,629		482,629	484,237	489,064	500,486
54	583 -NU	583	36,997		36,997	37,228	37,691	38,775
55	584 - NU	584	267		267	268	272	280
56	584 - U	584	111,453		111,453	111,825	112,939	115,577
57	584 -NU	584	11,042		11,042	11,111	11,250	11,573
58	586 - U	586	150,109		150,109	150,609	152,110	155,663
59	586 -NU	586	12,059		12,059	12,135	12,285	12,639
60	588 - NU	588	204,032		204,032	205,307	207,858	213,838
61	588 - U	588	279,858		279,858	280,791	283,589	290,212
62	588 -NU	588	29,368		29,368	29,551	29,918	30,779
63	590 - U	590	1,011		1,011	1,015	1,025	1,049
64	592 - NU	592	(125)		(125)	(126)	(128)	(131)
65	592 - U	592	60,970		60,970	61,174	61,783	63,226
66	592 -NU	592	5,512		5,512	5,547	5,616	5,777
67	593 - NU	593	9,709		9,709	9,769	9,891	10,175
68	593 - U	593	118,908		118,908	119,304	120,494	123,308
69	593 -NU	593	9,451		9,451	9,510	9,629	9,906
70	594 - NU	594	(33)		(33)	(33)	(33)	(34)

WP LA-3: PNM Overtime (Excluding SJGS and Shared Services)

Page 2 of 4

	A	B	C	D	E	AN	AO	AP
1	PNM Exhibit HEM-4							
2	WP LA-3 PNM Overtime (Excluding SJGS and Shared Services)							
3	Base Period data is historical information from the Company's Books and Records.							
4								
5	Hyperlink to Lead Sheet							
6				WP LA-1, Column E		WP LA-1, Column H	WP LA-1, Column I	WP LA-1, Column J
7	FERC - U/NU	FERC	Base Period	Base Period Adjustments	Adjusted Base Period	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Total Test Period
71	594 - U	594	98,446		98,446	98,774	99,758	102,088
72	594 - NU	594	4,457		4,457	4,485	4,541	4,671
73	596 - NU	596	1,969		1,969	1,982	2,006	2,064
74	596 - U	596	49,060		49,060	49,224	49,714	50,875
75	596 - NU	596	1,732		1,732	1,743	1,765	1,815
76	597 - U	597	40,244		40,244	40,378	40,781	41,733
77	597 - NU	597	316		316	318	322	331
78	901 - NU	901	2,300		2,300	2,315	2,344	2,411
79	901 - NU	901	310		310	312	315	325
80	902 - NU	902	242,622		242,622	244,138	247,171	254,283
81	902 - U	902	1,270		1,270	1,274	1,287	1,317
82	902 - NU	902	21,633		21,633	21,768	22,038	22,672
83	903 - NU	903	89,606		89,606	90,167	91,287	93,913
84	903 - U	903	2,919		2,919	2,929	2,958	3,027
85	903 - NU	903	7,461		7,461	7,508	7,601	7,820
86	906 - NU	906	526		526	529	536	551
87	912 - NU	912	89,448		89,448	90,007	91,125	93,747
88	912 - NU	912	4,809		4,809	4,839	4,899	5,040
89	920 - NU - Transmission	920	59		59	59	59	61
90	920 - NU - Distribution	920	234		234	235	237	243
91	925 - U - Distribution	925	3,063		3,063	3,073	3,104	3,177
92	925 - NU - Distribution	925	119		119	119	120	123
93	928 - NU - Transmission	928	4		4	4	4	4
94	928 - NU - Distribution	928	14		14	14	14	15
95	935 - NU - Transmission	935	4,810		4,810	4,826	4,874	4,988
96	935 - U - Transmission	935	52,556		52,556	52,731	53,257	54,500
97	935 - NU - Distribution	935	1,828		1,828	1,834	1,852	1,896
98	935 - U - Distribution	935	22,675		22,675	22,751	22,978	23,514
99	Total PNM Overtime		3,940,146	-	3,940,146	3,955,892	3,997,533	4,095,840

	A	B	C	D
1	PNM Exhibit HEM-4			
2	WP LA-3 PNM Overtime (Excluding SJGS and Shared Services)			
3	Notes Page for WP LA-3 - Notes contained on this page relate specifically to data contained in WP LA-3			
4	Hyperlink to Lead Sheet			
5				
6	Escalation Factors:			
7		2017	2018	
8	Non-Union	2.5%	3.0%	
9	Union	2.0%	2.5%	
10				
11				
12	PNM escalates labor in April for non-union employees at an escalation rate 2.5% for 2017 and 3.0% for 2018. For union employees, PNM escalates labor in May at an escalation rate of 2.0% for 2017 and 2.5% for 2018. Please see the testimony of PNM Witness Monfiletto.			

	A	B	C	D	E
1	PNM Exhibit HEM-4				
2	WP LA-4: Summary of San Juan Generating Station Labor				
3	San Juan Generating Station Labor				
4	Base Period data is historical information from the Company's Books and Records.				
5	Hyperlink to Lead Sheet				
6	PNM San Juan Labor consists of straight-time, overtime, miscellaneous pay				
7	pension eligible, paid absence, vacation, illness, holiday, time off allowances,				
8	system operations labor, switchyard labor, Pension and Benefits Load, and				WP LA-5, Column
	Injuries and Damages Load.				BC
9	Description	FERC	Unadjusted Base Period	Participant Credits Adjustment (Note 1)	Direct San Juan Normalized Labor Adjustment
19	Total Operation Supervision and Engineering	500	1,816,214	114	(61,162)
28	Total Steam Fuel Handling and Disposal	501	185,671	-	(122,887)
37	Total Oper-Steam Expense-Major	502	2,166,247	0	(32,047)
46	Total Oper-Electric Exp-Major	505	1,990,900	0	(12,940)
56	Total Oper-Misc Steam Power Exp	506	571,847	0	(9,754)
66	Total Maint-Sup & Eng-Steam	510	1,871,326	0	17,111
75	Total Maint-Structures-Steam	511	728,650	0	156,084
84	Total Maint-Boiler Plant	512	4,633,765	(18)	(195,934)
93	Total Maint-Electric Plant	513	946,142	0	(75,152)
101	Total Maint-Misc Steam Plant	514	946,364	1	215,692
104	Total Oper-Sup & Eng-Other	546	-	-	-
107	Total Oper-Oth Pwr Gen Exp-Other	549	-	-	-
113	Total Oper-Load Dispatch-Sys Ctl	556	328,972	0	-
116	Total Oper-Load Dispatch-ETrans	561	236,801	(0)	-
119	Total Oper-Station Exp-ETrans	562	30,769	0	-
122	Total Oper-Meter Expense-EDist	586	-	-	-
127	Total Supervision-Customer Accts	901	-	-	-
131	Total Meter Reading Expenses	902	0	(0)	-
139	Total Admin and General Salaries - Production	920	208,991	(0)	(953)

	A	B	C	D	E
1	PNM Exhibit HEM-4				
2	WP LA-4: Summary of San Juan Generating Station Labor				
3	San Juan Generating Station Labor				
4	Base Period data is historical information from the Company's Books and Records.				
5	Hyperlink to Lead Sheet				
6	PNM San Juan Labor consists of straight-time, overtime, miscellaneous pay pension eligible, paid absence, vacation, illness, holiday, time off allowances, system operations labor, switchyard labor, Pension and Benefits Load, and Injuries and Damages Load.				
7					
8					WP LA-5, Column BC
9	Description	FERC	Unadjusted Base Period	Participant Credits Adjustment (Note 1)	Direct San Juan Normalized Labor Adjustment
142	Total Injuries and Damages - Production	925	663,650	3	-
145	Total Employee Pensions and Benefits - Production	926	3,820,546	30	-
150	Total Maint of General Plant - Production	935	15,454	0	-
151					
152					
153	Total San Juan O&M (PNM Share)		21,162,310	131	(121,944)
154					
155	Test Period 65 MW Labor Allocation Production				
156	Test Period 65 MW Labor Allocation A&G				
157					
158	For Informational Purposes - PNM Share (Excluding 65 MW)				
159	SJGS Labor (Non-Overtime)		12,461,132	98	(121,944)
160	SJGS Overtime		4,216,982	-	-
161	SJGS Labor Loads		4,484,196	33	-
162	Total PNM Labor		21,162,310	131	(121,944)
163					
164	Note 1: Participant Credit adjustment reflects the adjustment to Books and Records to the recalculated participant credit to remove any one-time true-ups that occurred in the Base Period.				
165	Note 2: Wages and Salaries Allocation calculation excludes labor loads for Injuries and Damages and Pension and Benefits.				
166	Note 3: Change in Labor at SJGS reflects attrition reductions, FTE headcount reductions, escalation adjustments, and change in PNM ownership to reflect the addition of 132 MW of SJ Unit 4.				
167	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	F	G	H
1	PNM Exhibit HEM-4				
2	WP LA-4: Summary of San Juan Generating Station Labor				
3	San Juan Generating Station Labor				
4	Base Period data is historical information from the Company's Books and Records.				
5	Hyperlink to Lead Sheet				
6	PNM San Juan Labor consists of straight-time, overtime, miscellaneous pay				Col D + Col E + Col
7	pension eligible, paid absence, vacation, illness, holiday, time off allowances,				F + Col G
8	system operations labor, switchyard labor, Pension and Benefits Load, and		WP LA-6, Column	WP LA-7, Column	WP OM-3,
	Injuries and Damages Load.		BC	BC	Column J
9	Description	FERC	Direct Non-San Juan Normalized Labor Adjustment	Indirect San Juan Normalized Labor Adjustment	Total San Juan Base Period Adjustments
19	Total Operation Supervision and Engineering	500	29,036	-	(32,013)
28	Total Steam Fuel Handling and Disposal	501	7,906	-	(114,981)
37	Total Oper-Steam Expense-Major	502	(30,138)	-	(62,185)
46	Total Oper-Electric Exp-Major	505	(4,382)	-	(17,322)
56	Total Oper-Misc Steam Power Exp	506	(7,576)	-	(17,330)
66	Total Maint-Sup & Eng-Steam	510	(33,794)	-	(16,683)
75	Total Maint-Structures-Steam	511	(67,992)	-	88,093
84	Total Maint-Boiler Plant	512	248,585	-	52,633
93	Total Maint-Electric Plant	513	(109,068)	-	(184,220)
101	Total Maint-Misc Steam Plant	514	(73,707)	-	141,985
104	Total Oper-Sup & Eng-Other	546	-	-	-
107	Total Oper-Oth Pwr Gen Exp-Other	549	-	-	-
113	Total Oper-Load Dispatch-Sys Ctl	556	13,180	-	13,180
116	Total Oper-Load Dispatch-ETrans	561	-	-	(0)
119	Total Oper-Station Exp-ETrans	562	-	-	0
122	Total Oper-Meter Expense-EDist	586	-	-	-
127	Total Supervision-Customer Accts	901	-	-	-
131	Total Meter Reading Expenses	902	(0)	-	(0)
139	Total Admin and General Salaries - Production	920	(23,274)	-	(24,227)

	A	B	F	G	H
1	PNM Exhibit HEM-4				
2	WP LA-4: Summary of San Juan Generating Station Labor				
3	San Juan Generating Station Labor				
4	Base Period data is historical information from the Company's Books and Records.				
5	Hyperlink to Lead Sheet				
6	PNM San Juan Labor consists of straight-time, overtime, miscellaneous pay				Col D + Col E + Col
7	pension eligible, paid absence, vacation, illness, holiday, time off allowances,				F + Col G
8	system operations labor, switchyard labor, Pension and Benefits Load, and	WP LA-6, Column	WP LA-7, Column		WP OM-3,
	Injuries and Damages Load.	BC	BC		Column J
9	Description	FERC	Direct Non-San Juan Normalized Labor Adjustment	Indirect San Juan Normalized Labor Adjustment	Total San Juan Base Period Adjustments
142	Total Injuries and Damages - Production	925	-	-	3
145	Total Employee Pensions and Benefits - Production	926	-	-	30
150	Total Maint of General Plant - Production	935	262	-	262
151					
152					
153	Total San Juan O&M (PNM Share)		(50,962)	-	(172,774)
154					
155	Test Period 65 MW Labor Allocation Production				
156	Test Period 65 MW Labor Allocation A&G				
157					
158	For Informational Purposes - PNM Share (Excluding 65 MW)				
159	SJGS Labor (Non-Overtime)		(50,962)	-	(172,808)
160	SJGS Overtime		-	-	-
161	SJGS Labor Loads		-	-	33
162	Total PNM Labor		(50,962)	-	(172,774)
163					
164	Note 1: Participant Credit adjustment reflects the adjustment to Books and Records to the recalculated participant credit to remove any one-time true-ups that occurred in the Base Period.				
165	Note 2: Wages and Salaries Allocation calculation excludes labor loads for Injuries and Damages and Pension and Benefits.				
166	Note 3: Change in Labor at SJGS reflects attrition reductions, FTE headcount reductions, escalation adjustments, and change in PNM ownership to reflect the addition of 132 MW of SJ Unit 4.				
167	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	I	J	K
1	PNM Exhibit HEM-4				
2	WP LA-4: Summary of San Juan Generating Station Labor				
3	San Juan Generating Station Labor				
4	Base Period data is historical information from the Company's Books and Records.				
5	Hyperlink to Lead Sheet				
6	PNM San Juan Labor consists of straight-time, overtime, miscellaneous pay				
7	pension eligible, paid absence, vacation, illness, holiday, time off allowances,		Col C + Col H		
8	system operations labor, switchyard labor, Pension and Benefits Load, and		WP OM-4,		
	Injuries and Damages Load.		Column I		
9	Description	FERC	Adjusted Base Period PNM Share	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017
19	Total Operation Supervision and Engineering	500	1,784,201	1,778,846	1,784,438
28	Total Steam Fuel Handling and Disposal	501	70,691	70,153	69,956
37	Total Oper-Steam Expense-Major	502	2,104,061	2,087,743	2,085,143
46	Total Oper-Electric Exp-Major	505	1,973,577	1,958,301	1,955,893
56	Total Oper-Misc Steam Power Exp	506	554,517	556,953	562,845
66	Total Maint-Sup & Eng-Steam	510	1,854,643	1,846,742	1,850,120
75	Total Maint-Structures-Steam	511	816,743	815,221	794,516
84	Total Maint-Boiler Plant	512	4,686,398	4,688,801	4,450,433
93	Total Maint-Electric Plant	513	761,922	763,006	737,543
101	Total Maint-Misc Steam Plant	514	1,088,350	1,083,734	1,074,549
104	Total Oper-Sup & Eng-Other	546	-	-	-
107	Total Oper-Oth Pwr Gen Exp-Other	549	-	-	-
113	Total Oper-Load Dispatch-Sys Ctl	556	342,152	344,291	348,568
116	Total Oper-Load Dispatch-ETrans	561	236,801	238,281	241,241
119	Total Oper-Station Exp-ETrans	562	30,769	30,961	31,346
122	Total Oper-Meter Expense-EDist	586	-	-	-
127	Total Supervision-Customer Accts	901	-	-	-
131	Total Meter Reading Expenses	902	-	-	-
139	Total Admin and General Salaries - Production	920	184,764	185,679	187,746

	A	B	I	J	K
1	PNM Exhibit HEM-4				
2	WP LA-4: Summary of San Juan Generating Station Labor				
3	San Juan Generating Station Labor				
4	Base Period data is historical information from the Company's Books and Records.				
5	Hyperlink to Lead Sheet				
6	PNM San Juan Labor consists of straight-time, overtime, miscellaneous pay				
7	pension eligible, paid absence, vacation, illness, holiday, time off allowances,		Col C + Col H		
8	system operations labor, switchyard labor, Pension and Benefits Load, and		WP OM-4,		
	Injuries and Damages Load.		Column I		
9	Description	FERC	Adjusted Base Period PNM Share	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017
142	Total Injuries and Damages - Production	925	663,653	663,197	651,634
145	Total Employee Pensions and Benefits - Production	926	3,820,576	3,816,671	3,763,093
150	Total Maint of General Plant - Production	935	15,716	15,815	16,011
151					
152					
153	Total San Juan O&M (PNM Share)		20,989,536	20,944,396	20,605,075
154					
155	Test Period 65 MW Labor Allocation Production				
156	Test Period 65 MW Labor Allocation A&G				
157					
158	For Informational Purposes - PNM Share (Excluding 65 MW)				
159	SJGS Labor (Non-Overtime)		12,288,324	12,259,158	12,112,787
160	SJGS Overtime		4,216,982	4,205,370	4,077,561
161	SJGS Labor Loads		4,484,229	4,479,868	4,414,727
162	Total PNM Labor		20,989,536	20,944,396	20,605,075
163					
164	Note 1: Participant Credit adjustment reflects the adjustment to Books and Records to the recalculated participant credit to remove any one-time true-ups that occurred in the Base Period.				
165	Note 2: Wages and Salaries Allocation calculation excludes labor loads for Injuries and Damages and Pension and Benefits.				
166	Note 3: Change in Labor at SJGS reflects attrition reductions, FTE headcount reductions, escalation adjustments, and change in PNM ownership to reflect the addition of 132 MW of SJ Unit 4.				
167	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	L	M	N	O
1	PNM Exhibit HEM-4					
2	WP LA-4: Summary of San Juan Generating Station Labor					
3	San Juan Generating Station Labor					
4	Base Period data is historical information from the Company's Books and Records					
5	Hyperlink to Lead Sheet					
6	PNM San Juan Labor consists of straight-time, overtime, miscellaneous pay					
7	pension eligible, paid absence, vacation, illness, holiday, time off allowances,					
8	system operations labor, switchyard labor, Pension and Benefits Load, and					
	Injuries and Damages Load.		WP OM-4 Column W			
9	Description	FERC	Total Test Period	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
19	Total Operation Supervision and Engineering	500	2,301,565	517,364	29.00%	Note 3
28	Total Steam Fuel Handling and Disposal	501	89,975	19,284	27.28%	Note 3
37	Total Oper-Steam Expense-Major	502	2,689,050	584,989	27.80%	Note 3
46	Total Oper-Electric Exp-Major	505	2,521,669	548,092	27.77%	Note 3
56	Total Oper-Misc Steam Power Exp	506	735,341	180,825	32.61%	Note 3
66	Total Maint-Sup & Eng-Steam	510	2,397,579	542,936	29.27%	Note 3
75	Total Maint-Structures-Steam	511	946,301	129,558	15.86%	Note 3
84	Total Maint-Boiler Plant	512	5,118,754	432,356	9.23%	Note 3
93	Total Maint-Electric Plant	513	893,843	131,921	17.31%	Note 3
101	Total Maint-Misc Steam Plant	514	1,382,178	293,829	27.00%	Note 3
104	Total Oper-Sup & Eng-Other	546	-	-		Note 3
107	Total Oper-Oth Pwr Gen Exp-Other	549	-	-		Note 3
113	Total Oper-Load Dispatch-Sys Ctl	556	454,441	112,289	32.82%	Note 3
116	Total Oper-Load Dispatch-ETrans	561	314,515	77,714	32.82%	Note 3
119	Total Oper-Station Exp-ETrans	562	32,248	1,479	4.81%	Note 3
122	Total Oper-Meter Expense-EDist	586	-	-		Note 3
127	Total Supervision-Customer Accts	901	-	-		Note 3
131	Total Meter Reading Expenses	902	-	-		Note 3
139	Total Admin and General Salaries - Production	920	212,491	27,727	15.01%	Note 3

	A	B	L	M	N	O
1	PNM Exhibit HEM-4					
2	WP LA-4: Summary of San Juan Generating Station Labor					
3	San Juan Generating Station Labor					
4	Base Period data is historical information from the Company's Books and Records.					
5	Hyperlink to Lead Sheet					
6	PNM San Juan Labor consists of straight-time, overtime, miscellaneous pay					
7	pension eligible, paid absence, vacation, illness, holiday, time off allowances,					
8	system operations labor, switchyard labor, Pension and Benefits Load, and		WP OM-4			
	Injuries and Damages Load.		Column W			
9	Description	FERC	Total Test Period	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
142	Total Injuries and Damages - Production	925	817,768	154,116	23.22%	Note 3
145	Total Employee Pensions and Benefits - Production	926	4,709,156	888,580	23.26%	Note 3
150	Total Maint of General Plant - Production	935	16,472	755	4.81%	Note 3
151						
152						
153	Total San Juan O&M (PNM Share)		25,633,348	4,643,812		
154						
155	Test Period 65 MW Labor Allocation Production		2,323,671			
156	Test Period 65 MW Labor Allocation A&G		663,248			
157						
158	For Informational Purposes - PNM Share (Excluding 65 MW)					
159	SJGS Labor (Non-Overtime)		15,052,644	2,764,320		
160	SJGS Overtime		5,053,779	836,797		
161	SJGS Labor Loads		5,526,924	1,042,695		
162	Total PNM Labor		25,633,348	4,643,812		
163						
164	Note 1: Participant Credit adjustment reflects the adjustment to Books and Records to the recalculated participant credit to remove any one-time true-ups that occurred in the Base Period.					
165	Note 2: Wages and Salaries Allocation calculation excludes labor loads for Injuries and Damages and Pension and Benefits.					
166	Note 3: Change in Labor at SJGS reflects attrition reductions, FTE headcount reductions, escalation adjustments, and change in PNM ownership to reflect the addition of 132 MW of SJ Unit 4.					
167	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	P	W	AD	AE
1	PNM Exhibit HEM-4					
2	WP LA-4: Summary of San Juan Generating Station Labor					
3	San Juan Generating Station Labor					
4	Base Period data is historical information from the Company's Books and Records.					
5	Hyperlink to Lead Sheet					
6	PNM San Juan Labor consists of straight-time, overtime, miscellaneous pay pension eligible, paid absence, vacation, illness, holiday, time off allowances, system operations labor, switchyard labor, Pension and Benefits Load, and Injuries and Damages Load.					
7						
8						
9	Description	FERC	Allocator	Total Base Period W&S Allocation (Note 2)	Total Test Period W&S Allocation (Note 2)	W&S Allocator Category
19	Total Operation Supervision and Engineering	500	Gen Dmd	1,784,201	2,301,565	Production Wages and Salaries
28	Total Steam Fuel Handling and Disposal	501	Energy	70,691	89,975	Production Wages and Salaries
37	Total Oper-Steam Expense-Major	502	Gen Dmd	2,104,061	2,689,050	Production Wages and Salaries
46	Total Oper-Electric Exp-Major	505	Gen Dmd	1,973,577	2,521,669	Production Wages and Salaries
56	Total Oper-Misc Steam Power Exp	506	Gen Dmd	554,517	735,341	Production Wages and Salaries
66	Total Maint-Sup & Eng-Steam	510	Energy	1,854,643	2,397,579	Production Wages and Salaries
75	Total Maint-Structures-Steam	511	Gen Dmd	816,743	946,301	Production Wages and Salaries
84	Total Maint-Boiler Plant	512	Energy	4,686,398	5,118,754	Production Wages and Salaries
93	Total Maint-Electric Plant	513	Energy	761,922	893,843	Production Wages and Salaries
101	Total Maint-Misc Steam Plant	514	Gen Dmd	1,088,350	1,382,178	Production Wages and Salaries
104	Total Oper-Sup & Eng-Other	546	Energy	-	-	Production Wages and Salaries
107	Total Oper-Oth Pwr Gen Exp-Other	549	Energy	-	-	Production Wages and Salaries
113	Total Oper-Load Dispatch-Sys Ctl	556	Gen Dmd	342,152	454,441	Production Wages and Salaries
116	Total Oper-Load Dispatch-ETrans	561	Trans Dmd	236,801	314,515	Transmission Wages and Salaries
119	Total Oper-Station Exp-ETrans	562	Trans Dmd	30,769	32,248	Transmission Wages and Salaries
122	Total Oper-Meter Expense-EDist	586	Retail	-	-	Distribution Wages and Salaries
127	Total Supervision-Customer Accts	901	Retail	-	-	Customer Accounting
131	Total Meter Reading Expenses	902	Retail	-	-	Customer Accounting
139	Total Admin and General Salaries - Production	920	Gen Dmd	184,764	212,491	Administrative and General

	A	B	P	W	AD	AE
1	PNM Exhibit HEM-4					
2	WP LA-4: Summary of San Juan Generating Station Labor					
3	San Juan Generating Station Labor					
4	Base Period data is historical information from the Company's Books and Records.					
5	Hyperlink to Lead Sheet					
6	PNM San Juan Labor consists of straight-time, overtime, miscellaneous pay pension eligible, paid absence, vacation, illness, holiday, time off allowances, system operations labor, switchyard labor, Pension and Benefits Load, and Injuries and Damages Load.					
7						
8						
9	Description	FERC	Allocator	Total Base Period W&S Allocation (Note 2)	Total Test Period W&S Allocation (Note 2)	W&S Allocator Category
142	Total Injuries and Damages - Production	925	Gen Dmd	-	-	Administrative and General
145	Total Employee Pensions and Benefits - Production	926	Gen Dmd	-	-	Administrative and General
150	Total Maint of General Plant - Production	935	Gen Dmd	15,716	16,472	Administrative and General
151						
152						
153	Total San Juan O&M (PNM Share)			16,505,307	20,106,423	
154						
155	Test Period 65 MW Labor Allocation Production		Excluded	-	2,323,671	Production Wages and Salaries
156	Test Period 65 MW Labor Allocation A&G		Excluded	-	11,994	Administrative and General
157						
158	For Informational Purposes - PNM Share (Excluding 65 MW)					
159	SJGS Labor (Non-Overtime)					
160	SJGS Overtime					
161	SJGS Labor Loads					
162	Total PNM Labor					
163						
164	Note 1: Participant Credit adjustment reflects the adjustment to Books and Records to the recalculated participant credit to remove any one-time true-ups that occurred in the Base Period.					
165	Note 2: Wages and Salaries Allocation calculation excludes labor loads for Injuries and Damages and Pension and Benefits.					
166	Note 3: Change in Labor at SJGS reflects attrition reductions, FTE headcount reductions, escalation adjustments, and change in PNM ownership to reflect the addition of 132 MW of SJ Unit 4.					
167	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	P	AC	AP	BC	BP
1	PNM Exhibit HEM-4							
2	WP LA-5 San Juan Generating Station Direct Normalized Labor (San Juan Home centers)							
3	Base Period data is historical information from the Company's Books and Records.							
4								
5	Hyperlink to Lead Sheet							
6	Description	FERC	FERC - U/NU	Unadjusted Base Period	June 17, 2016 Pay Period	Normalize Base Period Column AC*26 (Note 1)	Normalization Adjustment Column AP - Column P	Jul-16
174								
175	Total San Juan Generating Station Labor 100% SJ Dollars			32,448,585	878,995	32,093,203	(355,382)	2,674,434
176								
345	Total San Juan Generating Station Labor Participant Credits			(17,390,002)	(468,765)	(17,156,564)	233,438	(1,429,714)
346								
515	Total San Juan Generating Station Labor PNM Share			15,058,582	410,230	14,936,639	(121,944)	1,244,720
516								
517	Test Period 65 MW Labor Allocation Production							
518	Test Period 65 MW Labor Allocation A&G							
519								
520			Employee Category		Total SJGS Employees @ 6/17/2016			
521			O&M		257			
522			Non O&M					
523			Total SJGS Employees		257			
524								
525	Escalation Factors (Note 2):	2017	2018					
526	Non-Union	2.5%	3.0%					
527	Union	2.0%	2.5%					

	A	B	C	CC	CP	DC	DP	EC	EP
1	PNM Exhibit HEM-4								
2	WP LA-5 San Juan Generating Station Direct Normalized Labor (San Juan Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Aug-16	Sep-16	Oct-16	Nov-16	2016 Attrition Adjustment (Note 3)	Dec-16
174									
175	Total San Juan Generating Station Labor 100% SJ Dollars			2,674,434	2,674,434	2,674,434	2,674,434	-	2,674,434
176									
345	Total San Juan Generating Station Labor Participant Credits			(1,429,714)	(1,429,714)	(1,429,714)	(1,429,714)	-	(1,429,714)
346									
515	Total San Juan Generating Station Labor PNM Share			1,244,720	1,244,720	1,244,720	1,244,720	-	1,244,720
516									
517	Test Period 65 MW Labor Allocation Production								
518	Test Period 65 MW Labor Allocation A&G								
519									
520			Employee Category					Attrition Adjustment	Total SJGS Employees @ 12/31/2016
521			O&M					-	257
522			Non O&M						
523			Total SJGS Employees					-	257
524									
525	Escalation Factors (Note 2):	2017	2018						
526	Non-Union	2.5%	3.0%						
527	Union	2.0%	2.5%						

	A	B	C	FC	FP	GC	GP	HC	HP
1	PNM Exhibit HEM-4								
2	WP LA-5 San Juan Generating Station Direct Normalized Labor (San Juan Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Head Count Reduction Adjustment (Note 4)	Jan-17	Feb-17	Mar-17	Escalation 2.5% - Non Union (Note 2)	Apr-17
174									
175	Total San Juan Generating Station Labor 100% SJ Dollars			(40,117)	2,634,317	2,634,317	2,634,317	18,522	2,652,838
176									
345	Total San Juan Generating Station Labor Participant Credits			21,544	(1,408,170)	(1,408,170)	(1,408,170)	(9,957)	(1,418,126)
346									
515	Total San Juan Generating Station Labor PNM Share			(18,573)	1,226,147	1,226,147	1,226,147	8,565	1,234,712
516									
517	Test Period 65 MW Labor Allocation Production								
518	Test Period 65 MW Labor Allocation A&G								
519									
520			Employee Category	Head Count Reduction	Total SJGS Employees @ 1/31/2017				
521			O&M	(4)	253				
522			Non O&M						
523			Total SJGS Employees	(4)	253				
524									
525	Escalation Factors (Note 2):	2017	2018						
526	Non-Union	2.5%	3.0%						
527	Union	2.0%	2.5%						

	A	B	C	IC	IP	JC	JP	KC	KP	LC
1	PNM Exhibit HEM-4									
2	WP LA-5 San Juan Generating Station Direct Normalized Labor (San Juan Home centers)									
3	Base Period data is historical information from the Company's Books and Records.									
4										
5	Hyperlink to Lead Sheet									
6	Description	FERC	FERC - U/NU	Escalation 2% - Union (Note 2)	May-17	Jun-17	2017 Attrition Adjustment (Note 3)	Jul-17	Aug-17	Sep-17
174										
175	Total San Juan Generating Station Labor 100% SJ Dollars			37,869	2,690,707	2,690,707	(113,203)	2,577,504	2,577,504	2,577,504
176										
345	Total San Juan Generating Station Labor Participant Credits			(20,198)	(1,438,324)	(1,438,324)	56,602	(1,381,723)	(1,381,723)	(1,381,723)
346										
515	Total San Juan Generating Station Labor PNM Share			17,671	1,252,383	1,252,383	(56,602)	1,195,781	1,195,781	1,195,781
516										
517	Test Period 65 MW Labor Allocation Production									
518	Test Period 65 MW Labor Allocation A&G									
519										
520			Employee Category				Attrition Adjustment	Total SJGS Employees @ 7/31/2017		
521			O&M				(9)	248		
522			Non O&M							
523			Total SJGS Employees				(9)	248		
524										
525	Escalation Factors (Note 2):	2017	2018							
526	Non-Union	2.5%	3.0%							
527	Union	2.0%	2.5%							

	A	B	C	LP	MC	MP	NC	NP	OC	OP
1	PNM Exhibit HEM-4									
2	WP LA-5 San Juan Generating Station Direct Normalized Labor (San Juan Home centers)									
3	Base Period data is historical information from the Company's Books and Records.									
4										
5	Hyperlink to Lead Sheet									
6	Description	FERC	FERC - U/NU	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Escalation 3.0% - Non Union (Note 2)
174										
175	Total San Juan Generating Station Labor 100% SJ Dollars			2,577,504	2,577,504	2,577,504	2,577,504	2,577,504	2,577,504	22,776
176										
345	Total San Juan Generating Station Labor Participant Credits			(1,381,723)	(1,381,723)	(1,381,723)	(975,156)	(975,156)	(975,156)	(9,412)
346										
515	Total San Juan Generating Station Labor PNM Share			1,195,781	1,195,781	1,195,781	1,602,348	1,602,348	1,602,348	13,364
516										
517	Test Period 65 MW Labor Allocation Production						171,171	171,171	171,171	1,732
518	Test Period 65 MW Labor Allocation A&G						297	297	297	9
519										
520			Employee Category							
521			O&M							
522			Non O&M							
523			Total SJGS Employees							
524										
525	Escalation Factors (Note 2):	2017	2018							
526	Non-Union	2.5%	3.0%							
527	Union	2.0%	2.5%							

	A	B	C	PC	PP	QC	QP	RC	RP	SC
1	PNM Exhibit HEM-4									
2	WP LA-5 San Juan Generating Station Direct Normalized Labor (San Juan Home centers)									
3	Base Period data is historical information from the Company's Books and Records.									
4										
5	Hyperlink to Lead Sheet									
6	Description	FERC	FERC - U/NU	Apr-18	Escalation 2.5% - Union (Note 2)	May-18	Jun-18	2018 Attrition Adjustment (Note 3)	Jul-18	Aug-18
174										
175	Total San Juan Generating Station Labor 100% SJ Dollars			2,600,280	45,458	2,645,738	2,645,738	(262,397)	2,383,341	2,383,341
176										
345	Total San Juan Generating Station Labor Participant Credits			(984,568)	(16,535)	(1,001,104)	(1,001,104)	8,490	(992,613)	(992,613)
346										
515	Total San Juan Generating Station Labor PNM Share			1,615,712	28,922	1,644,634	1,644,634	(253,906)	1,390,728	1,390,728
516										
517	Test Period 65 MW Labor Allocation Production			172,903	2,836	175,739	175,739	(1,576)	174,162	174,162
518	Test Period 65 MW Labor Allocation A&G			306	-	306	306	-	306	306
519										
520			Employee Category					Attrition Adjustment	Total SJGS Employees @ 7/31/2018	
521			O&M					(21)	227	
522			Non O&M							
523			Total SJGS Employees					(21)	227	
524										
525	Escalation Factors (Note 2):	2017	2018							
526	Non-Union	2.5%	3.0%							
527	Union	2.0%	2.5%							

	A	B	C	SP	TC	TP	UC	UD	UE	UF
1	PNM Exhibit HEM-4									
2	WP LA-5 San Juan Generating Station Direct Normalized Labor (San Juan Home centers)									
3	Base Period data is historical information from the Company's Books and Records.									
4										
5	Hyperlink to Lead Sheet									
6	Description	FERC	FERC - U/NU	Sep-18	Oct-18	Nov-18	Dec-18	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Total Test Period
174										
175	Total San Juan Generating Station Labor 100% SJ Dollars			2,383,341	2,383,341	2,383,341	2,383,341	31,983,805	31,402,229	29,924,317
176										
345	Total San Juan Generating Station Labor Participant Credits			(992,613)	(992,613)	(992,613)	(992,613)	(17,097,567)	(16,809,622)	(11,867,923)
346										
515	Total San Juan Generating Station Labor PNM Share			1,390,728	1,390,728	1,390,728	1,390,728	14,886,238	14,592,607	18,056,393
516										
517	Test Period 65 MW Labor Allocation Production			174,162	174,162	174,162	174,162	-	-	2,082,867
518	Test Period 65 MW Labor Allocation A&G			306	306	306	306	-	-	3,648
519										
520			Employee Category							
521			O&M							
522			Non O&M							
523			Total SJGS Employees							
524										
525	Escalation Factors (Note 2):	2017	2018							
526	Non-Union	2.5%	3.0%							
527	Union	2.0%	2.5%							

	A
1	PNM Exhibit HEM-4
2	WP LA-5 San Juan Generating Station Direct Normalized Labor (San Juan Home centers)
3	Notes Page for WP LA-5 - Notes contained on this page relate specifically to data contained in WP LA-5
4	Hyperlink to Lead Sheet
5	
6	WP LA-5 Notes
7	Note 1: PNM did not annualize cost types 140, 914, 915, 919, and 920 as these reflect a normal annual expense for costs.
8	Note 2: PNM escalates labor in April for non-union employees at an escalation rate 2.5% for 2017 and 3.0% for 2018. For union employees, PNM escalates labor in May at an escalation rate of 2.0% for 2017 and 2.5% for 2018. Please see the testimony of PNM Witness Monfiletto.
9	Note 3: Labor per employee cost was calculated by dividing the total pay period cost by the total number of employees in a given period. Attrition adjustment was calculated by multiplying the labor per employee cost by the number of employees that are expected to be affected by attrition. Please see testimony of PNM Witness Olson.
10	Note 4: PNM functionalized estimated FTE headcount reduction, based on a calculated labor dollar per employee by dividing the total pay period cost by the total number of employees, within each functional group. For further discussion on estimated headcount reductions please refer to the testimony of PNM Witness Monfiletto.
11	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	P	AC	AP	BC	BP
1	PNM Exhibit HEM-4							
2	WP LA-6: San Juan Generating Station Direct Normalized Labor (Non San Juan Home centers)							
3	Base Period data is historical information from the Company's Books and Records.							
4								
5	Hyperlink to Lead Sheet							
6	Description	FERC	FERC - U/NU	Unadjusted Base Period	June 17, 2016 Pay Period	Normalize Base Period Column AC*26 (Note 1)	Normalization Adjustment Column AP - Column P	Jul-16
164	Total San Juan Generating Station Labor 100% SJ Dollars			3,382,163	68,132	3,256,150	(126,012)	271,346
165								
323	Total San Juan Generating Station Labor Participant Credits			(1,762,533)	(36,670)	(1,687,483)	75,050	(140,624)
324								
482	Total San Juan Generating Station Labor PNM Share			1,619,630	31,462	1,568,668	(50,962)	130,722
483								
484	Test Period 65 MW Labor Allocation Production							
485	Test Period 65 MW Labor Allocation A&G							
486								
487			Employee Category		Total Employees @ 6/17/2016			
488			O&M		19			
489			Non O&M					
490			Total SJGS Employees		19			
491								
492	Escalation Factors (Note 2):	2017	2018					
493	Non-Union	2.5%	3.0%					
494	Union	2.0%	2.5%					

	A	B	C	CC	CP	DC	DP	EC	EP
1	PNM Exhibit HEM-4								
2	WP LA-6: San Juan Generating Station Direct Normalized Labor (Non San Juan Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Aug-16	Sep-16	Oct-16	Nov-16	2016 Attrition Adjustment (Note 3)	Dec-16
164	Total San Juan Generating Station Labor 100% SJ Dollars			271,346	271,346	271,346	271,346	-	271,346
165									
323	Total San Juan Generating Station Labor Participant Credits			(140,624)	(140,624)	(140,624)	(140,624)	-	(140,624)
324									
482	Total San Juan Generating Station Labor PNM Share			130,722	130,722	130,722	130,722	-	130,722
483									
484	Test Period 65 MW Labor Allocation Production								
485	Test Period 65 MW Labor Allocation A&G								
486									
487			Employee Category					Attrition Adjustment	Total Employees @ 12/31/2016
488			O&M					-	19
489			Non O&M						
490			Total SJGS Employees					-	19
491									
492	Escalation Factors (Note 2):	2017	2018						
493	Non-Union	2.5%	3.0%						
494	Union	2.0%	2.5%						

	A	B	C	FC	FP	GC	GP	HC	HP
1	PNM Exhibit HEM-4								
2	WP LA-6: San Juan Generating Station Direct Normalized Labor (Non San Juan Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Head Count Reduction Adjustment	Jan-17	Feb-17	Mar-17	Escalation 2.5% - Non Union (Note 2)	Apr-17
164	Total San Juan Generating Station Labor 100% SJ Dollars			-	271,346	271,346	271,346	6,498	277,844
165									
323	Total San Juan Generating Station Labor Participant Credits			-	(140,624)	(140,624)	(140,624)	(3,361)	(143,984)
324									
482	Total San Juan Generating Station Labor PNM Share			-	130,722	130,722	130,722	3,138	133,860
483									
484	Test Period 65 MW Labor Allocation Production								
485	Test Period 65 MW Labor Allocation A&G								
486									
487			Employee Category	Head Count Reduction	Total Employees @ 1/31/2017				
488			O&M	-	19				
489			Non O&M						
490			Total SJGS Employees	-	19				
491									
492	Escalation Factors (Note 2):	2017	2018						
493	Non-Union	2.5%	3.0%						
494	Union	2.0%	2.5%						

	A	B	C	IC	IP	JC	JP	KC	KP
1	PNM Exhibit HEM-4								
2	WP LA-6: San Juan Generating Station Direct Normalized Labor (Non San Juan Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Escalation 2% - Union (Note 2)	May-17	Jun-17	2017 Attrition Adjustment (Note 3)	Jul-17	Aug-17
164	Total San Juan Generating Station Labor 100% SJ Dollars			228	278,072	278,072	-	278,072	278,072
165									
323	Total San Juan Generating Station Labor Participant Credits			(124)	(144,108)	(144,108)	-	(144,108)	(144,108)
324									
482	Total San Juan Generating Station Labor PNM Share			104	133,964	133,964	-	133,964	133,964
483									
484	Test Period 65 MW Labor Allocation Production								
485	Test Period 65 MW Labor Allocation A&G								
486									
487			Employee Category				Attrition Adjustment	Total Employees @ 7/31/2017	
488			O&M				-	19	
489			Non O&M						
490			Total SJGS Employees				-	19	
491									
492	Escalation Factors (Note 2):	2017	2018						
493	Non-Union	2.5%	3.0%						
494	Union	2.0%	2.5%						

	A	B	C	LC	LP	MC	MP	NC	NP
1	PNM Exhibit HEM-4								
2	WP LA-6: San Juan Generating Station Direct Normalized Labor (Non San Juan Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18
164	Total San Juan Generating Station Labor 100% SJ Dollars			278,072	278,072	278,072	278,072	278,072	278,072
165									
323	Total San Juan Generating Station Labor Participant Credits			(144,108)	(144,108)	(144,108)	(144,108)	(110,956)	(110,956)
324									
482	Total San Juan Generating Station Labor PNM Share			133,964	133,964	133,964	133,964	167,117	167,117
483									
484	Test Period 65 MW Labor Allocation Production							19,630	19,630
485	Test Period 65 MW Labor Allocation A&G							680	680
486									
487			Employee Category						
488			O&M						
489			Non O&M						
490			Total SJGS Employees						
491									
492	Escalation Factors (Note 2):	2017	2018						
493	Non-Union	2.5%	3.0%						
494	Union	2.0%	2.5%						

	A	B	C	OC	OP	PC	PP	QC	QP
1	PNM Exhibit HEM-4								
2	WP LA-6: San Juan Generating Station Direct Normalized Labor (Non San Juan Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Mar-18	Escalation 3.0% - Non Union (Note 2)	Apr-18	Escalation 2.5% - Union (Note 2)	May-18	Jun-18
164	Total San Juan Generating Station Labor 100% SJ Dollars			278,072	7,993	286,065	291	286,356	286,356
165									
323	Total San Juan Generating Station Labor Participant Credits			(110,956)	(3,191)	(114,147)	(115)	(114,261)	(114,261)
324									
482	Total San Juan Generating Station Labor PNM Share			167,117	4,802	171,918	177	172,095	172,095
483									
484	Test Period 65 MW Labor Allocation Production			19,630	563	20,193	22	20,215	20,215
485	Test Period 65 MW Labor Allocation A&G			680	20	701	-	701	701
486									
487			Employee Category						
488			O&M						
489			Non O&M						
490			Total SJGS Employees						
491									
492	Escalation Factors (Note 2):	2017	2018						
493	Non-Union	2.5%	3.0%						
494	Union	2.0%	2.5%						

	A	B	C	RC	RP	SC	SP	TC	TP
1	PNM Exhibit HEM-4								
2	WP LA-6: San Juan Generating Station Direct Normalized Labor (Non San Juan Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	2018 Attrition Adjustment (Note 3)	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
164	Total San Juan Generating Station Labor 100% SJ Dollars			-	286,356	286,356	286,356	286,356	286,356
165									
323	Total San Juan Generating Station Labor Participant Credits			-	(114,261)	(114,261)	(114,261)	(114,261)	(114,261)
324									
482	Total San Juan Generating Station Labor PNM Share			-	172,095	172,095	172,095	172,095	172,095
483									
484	Test Period 65 MW Labor Allocation Production			-	20,215	20,215	20,215	20,215	20,215
485	Test Period 65 MW Labor Allocation A&G			-	701	701	701	701	701
486									
487			Employee Category	Attrition Adjustment	Total Employees @ 7/31/2018				
488			O&M	-	19				
489			Non O&M						
490			Total SJGS Employees	-	19				
491									
492	Escalation Factors (Note 2):	2017	2018						
493	Non-Union	2.5%	3.0%						
494	Union	2.0%	2.5%						

	A	B	C	UC	UD	UE	UF
1	PNM Exhibit HEM-4						
2	WP LA-6: San Juan Generating Station Direct Normalized Labor (Non San Juan Home centers)						
3	Base Period data is historical information from the Company's Books and Records.						
4							
5	Hyperlink to Lead Sheet						
6	Description	FERC	FERC - U/NU	Dec-18	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Total Test Period
164	Total San Juan Generating Station Labor 100% SJ Dollars			286,356	3,276,102	3,316,461	3,411,133
165							
323	Total San Juan Generating Station Labor Participant Credits			(114,261)	(1,697,812)	(1,718,720)	(1,361,103)
324							
482	Total San Juan Generating Station Labor PNM Share			172,095	1,578,289	1,597,741	2,050,030
483							
484	Test Period 65 MW Labor Allocation Production			20,215	-	-	240,804
485	Test Period 65 MW Labor Allocation A&G			701	-	-	8,346
486							
487			Employee Category				
488			O&M				
489			Non O&M				
490			Total SJGS Employees				
491							
492	Escalation Factors (Note 2):	2017	2018				
493	Non-Union	2.5%	3.0%				
494	Union	2.0%	2.5%				

	A
1	PNM Exhibit HEM-4
2	WP LA-6: San Juan Generating Station Direct Normalized Labor (Non San Juan Home centers)
3	Notes Page for WP LA-6 - Notes contained on this page relate specifically to data contained in WP LA-6
4	Hyperlink to Lead Sheet
5	
6	WP LA-6 Notes
7	Note 1: PNM did not annualize cost types 140, 914, 915, 919, and 920 as these reflect a normal annual expense for costs.
8	Note 2: PNM escalates labor in April for non-union employees at an escalation rate 2.5% for 2017 and 3.0% for 2018. For union employees, PNM escalates labor in May at an escalation rate of 2.0% for 2017 and 2.5% for 2018. Please see the testimony of PNM Witness Monfiletto.
9	Note 3: PNM is not forecasting any adjustments to employees that direct charge SJGS. Please see testimony of PNM Witness Olson.
10	
11	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	P	AC	AP	BC	BP
1	PNM Exhibit HEM-4							
2	WP LA-7: San Juan Generating Station Indirect Normalized Labor (Indirect Home centers)							
3	Base Period data is historical information from the Company's Books and Records.							
4								
5	Hyperlink to Lead Sheet							
6	Description	FERC	FERC - U/NU	Unadjusted Base Period	June 17, 2016 Pay Period	Adjusted Base Period (Note 1)	Base Period Adjustment Column AP - Column P	Jul-16
14	Total San Juan Generating Station Labor 100% SJ Dollars			9,611,413	-	9,611,413	-	800,951
15								
23	Total San Juan Generating Station Labor Participant Credits			(5,127,184)	-	(5,127,184)	-	(427,265)
24								
32	Total San Juan Generating Station Labor PNM Share			4,484,229	-	4,484,229	-	373,686
33								
34	Test Period 65 MW Labor Allocation Production							
35	Test Period 65 MW Labor Allocation A&G							
36								
37			Employee Category		Total SJGS Employees @ 6/17/2016			
38			O&M		276			
39			Non O&M					
40			Total SJGS Employees		276			
41								
42	Escalation Factors (Note 2):	2017	2018					
43	Non-Union	2.5%	3.0%					
44	Union	2.0%	2.5%					

	A	B	C	CC	CP	DC	DP	EC	EP
1	PNM Exhibit HEM-4								
2	WP LA-7: San Juan Generating Station Indirect Normalized Labor (Indirect Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Aug-16	Sep-16	Oct-16	Nov-16	2016 Attrition Adjustment (Note 3)	Dec-16
14	Total San Juan Generating Station Labor 100% SJ Dollars			800,951	800,951	800,951	800,951	-	800,951
15									
23	Total San Juan Generating Station Labor Participant Credits			(427,265)	(427,265)	(427,265)	(427,265)	-	(427,265)
24									
32	Total San Juan Generating Station Labor PNM Share			373,686	373,686	373,686	373,686	-	373,686
33									
34	Test Period 65 MW Labor Allocation Production								
35	Test Period 65 MW Labor Allocation A&G								
36									
37			Employee Category					Attrition Adjustment	Total SJGS Employees @ 12/31/2016
38			O&M					-	276
39			Non O&M						
40			Total SJGS Employees					-	276
41									
42	Escalation Factors (Note 2):	2017	2018						
43	Non-Union	2.5%	3.0%						
44	Union	2.0%	2.5%						

	A	B	C	FC	FP	GC	GP	HC	HP
1	PNM Exhibit HEM-4								
2	WP LA-7: San Juan Generating Station Indirect Normalized Labor (Indirect Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Headcount Adjustment (Note 4)	Jan-17	Feb-17	Mar-17	Escalation 2.5% - Non Union (Note 2)	Apr-17
14	Total San Juan Generating Station Labor 100% SJ Dollars			(11,515)	789,436	789,436	789,436	19,736	809,172
15									
23	Total San Juan Generating Station Labor Participant Credits			6,184	(421,081)	(421,081)	(421,081)	(10,527)	(431,608)
24									
32	Total San Juan Generating Station Labor PNM Share			(5,331)	368,355	368,355	368,355	9,209	377,563
33									
34	Test Period 65 MW Labor Allocation Production								
35	Test Period 65 MW Labor Allocation A&G								
36									
37			Employee Category	Headcount Adjustment	Total SJGS Employees @ 1/31/2017				
38			O&M	(4)	272				
39			Non O&M						
40			Total SJGS Employees	(4)	272				
41									
42	Escalation Factors (Note 2):	2017	2018						
43	Non-Union	2.5%	3.0%						
44	Union	2.0%	2.5%						

	A	B	C	IC	IP	JC	JP	KC	KP
1	PNM Exhibit HEM-4								
2	WP LA-7: San Juan Generating Station Indirect Normalized Labor (Indirect Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Escalation 2% - Union (Note 2)	May-17	Jun-17	2017 Attrition Adjustment (Note 3)	Jul-17	Aug-17
14	Total San Juan Generating Station Labor 100% SJ Dollars			-	809,172	809,172	(29,469)	779,703	779,703
15									
23	Total San Juan Generating Station Labor Participant Credits			-	(431,608)	(431,608)	14,735	(416,874)	(416,874)
24									
32	Total San Juan Generating Station Labor PNM Share			-	377,563	377,563	(14,735)	362,829	362,829
33									
34	Test Period 65 MW Labor Allocation Production								
35	Test Period 65 MW Labor Allocation A&G								
36									
37			Employee Category				Attrition Adjustment	Total SJGS Employees @ 7/31/2017	
38			O&M				(9)	267	
39			Non O&M						
40			Total SJGS Employees				(9)	267	
41									
42	Escalation Factors (Note 2):	2017	2018						
43	Non-Union	2.5%	3.0%						
44	Union	2.0%	2.5%						

	A	B	C	LC	LP	MC	MP	NC	NP
1	PNM Exhibit HEM-4								
2	WP LA-7: San Juan Generating Station Indirect Normalized Labor (Indirect Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18
14	Total San Juan Generating Station Labor 100% SJ Dollars			779,703	779,703	779,703	779,703	779,703	779,703
15									
23	Total San Juan Generating Station Labor Participant Credits			(416,874)	(416,874)	(416,874)	(416,874)	(297,251)	(297,251)
24									
32	Total San Juan Generating Station Labor PNM Share			362,829	362,829	362,829	362,829	482,452	482,452
33									
34	Test Period 65 MW Labor Allocation Production							-	-
35	Test Period 65 MW Labor Allocation A&G							53,300	53,300
36									
37			Employee Category						
38			O&M						
39			Non O&M						
40			Total SJGS Employees						
41									
42	Escalation Factors (Note 2):	2017	2018						
43	Non-Union	2.5%	3.0%						
44	Union	2.0%	2.5%						

	A	B	C	OC	OP	PC	PP	QC	QP
1	PNM Exhibit HEM-4								
2	WP LA-7: San Juan Generating Station Indirect Normalized Labor (Indirect Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	Mar-18	Escalation 3.0% - Non Union (Note 2)	Apr-18	Escalation 2.5% - Union (Note 2)	May-18	Jun-18
14	Total San Juan Generating Station Labor 100% SJ Dollars			779,703	23,391	803,094	-	803,094	803,094
15									
23	Total San Juan Generating Station Labor Participant Credits			(297,251)	(8,918)	(306,168)	-	(306,168)	(306,168)
24									
32	Total San Juan Generating Station Labor PNM Share			482,452	14,474	496,925	-	496,925	496,925
33									
34	Test Period 65 MW Labor Allocation Production			-	-	-	-	-	-
35	Test Period 65 MW Labor Allocation A&G			53,300	1,599	54,899	-	54,899	54,899
36									
37			Employee Category						
38			O&M						
39			Non O&M						
40			Total SJGS Employees						
41									
42	Escalation Factors (Note 2):	2017	2018						
43	Non-Union	2.5%	3.0%						
44	Union	2.0%	2.5%						

	A	B	C	RC	RP	SC	SP	TC	TP
1	PNM Exhibit HEM-4								
2	WP LA-7: San Juan Generating Station Indirect Normalized Labor (Indirect Home centers)								
3	Base Period data is historical information from the Company's Books and Records.								
4									
5	Hyperlink to Lead Sheet								
6	Description	FERC	FERC - U/NU	2018 Attrition Adjustment (Note 3)	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
14	Total San Juan Generating Station Labor 100% SJ Dollars			(67,922)	735,172	735,172	735,172	735,172	735,172
15									
23	Total San Juan Generating Station Labor Participant Credits			2,462	(303,706)	(303,706)	(303,706)	(303,706)	(303,706)
24									
32	Total San Juan Generating Station Labor PNM Share			(65,460)	431,466	431,466	431,466	431,466	431,466
33									
34	Test Period 65 MW Labor Allocation Production			-	-	-	-	-	-
35	Test Period 65 MW Labor Allocation A&G			(457)	54,442	54,442	54,442	54,442	54,442
36									
37			Employee Category	Attrition Adjustment	Total SJGS Employees @ 7/31/2018				
38			O&M	(21)	246				
39			Non O&M						
40			Total SJGS Employees	(21)	246				
41									
42	Escalation Factors (Note 2):	2017	2018						
43	Non-Union	2.5%	3.0%						
44	Union	2.0%	2.5%						

	A	B	C	UC	UD	UE	UF
1	PNM Exhibit HEM-4						
2	WP LA-7: San Juan Generating Station Indirect Normalized Labor (Indirect Home centers)						
3	Base Period data is historical information from the Company's Books and Records.						
4							
5	Hyperlink to Lead Sheet						
6	Description	FERC	FERC - U/NU	Dec-18	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Total Test Period
14	Total San Juan Generating Station Labor 100% SJ Dollars			735,172	9,601,529	9,474,038	9,159,420
15							
23	Total San Juan Generating Station Labor Participant Credits			(303,706)	(5,121,660)	(5,059,311)	(3,632,496)
24							
32	Total San Juan Generating Station Labor PNM Share			431,466	4,479,868	4,414,727	5,526,924
33							
34	Test Period 65 MW Labor Allocation Production			-	-	-	-
35	Test Period 65 MW Labor Allocation A&G			54,442	-	-	651,253
36							
37			Employee Category				
38			O&M				
39			Non O&M				
40			Total SJGS Employees				
41							
42	Escalation Factors (Note 2):	2017	2018				
43	Non-Union	2.5%	3.0%				
44	Union	2.0%	2.5%				

	A
1	PNM Exhibit HEM-4
2	WP LA-7: San Juan Generating Station Indirect Normalized Labor (Indirect Home centers)
3	Notes Page for WP LA-7 - Notes contained on this page relate specifically to data contained in WP LA-7
4	Hyperlink to Lead Sheet
5	
6	WP LA-7 Notes
7	Note 1: For Cost types 914 and 915 PNM used the Base Period costs as the normalized Base Period amounts as these reflect a normal annual expense for costs that do not occur in all pay periods.
8	Note 2: PNM escalates labor in April for non-union employees at an escalation rate 2.5% for 2017 and 3.0% for 2018. For union employees, PNM escalates labor in May at an escalation rate of 2.0% for 2017 and 2.5% for 2018. Please see the testimony of PNM Witness Monfiletto.
9	Note 3: Labor per employee cost was calculated by dividing the total pay period cost by the total number of employees in a given period. Attrition adjustment was calculated by multiplying the labor per employee cost by the number of employees that are expected to be affected by attrition. Please see testimony of PNM Witness Olson.
10	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 LA-8: Summary of Shared Services Labor							
3	PNMR Services Company Labor							
4	Base Period data is historical information from the Company's Books and Records.							
5	Hyperlink to Lead Sheet							
6				WP LA-9, Column E	WP SS-2, Column M & Column O Remove Items Specifically Adjusted in WP SS (Note 1)	Remove Normalized COO Salary (Note 2)	Total Base Period Adjustments Col D + Col E + Col F	WP SS-3, Column D Adjusted Base Period Col C + Col G
7	Description	Location	Base Period	Base Period Normalization Adjustment				
16	911 Total	911	3,989,219	(883,684)	480,000	-	(403,684)	3,585,535
23	912 Total	912	368,841	(1,408)	-	-	(1,408)	367,433
30	914 Total	914	358,485	(5,425)	-	-	(5,425)	353,060
39	924 Total	924	1,279,121	(135,152)	-	-	(135,152)	1,143,969
48	941 Total	941	11,856,405	689,029	(548,317)	(389,881)	(249,169)	11,607,237
57	942 Total	942	1,212,591	44,893	(200)	-	44,693	1,257,284
66	946 Total	946	1,557,535	(194,727)	(12,721)	-	(207,448)	1,350,087
74	947 Total	947	301,519	20,717	(9,866)	-	10,852	312,370
81	948 Total	948	1,207,672	175,867	(168)	-	175,699	1,383,371
90	951 Total	951	2,982,861	(144,881)	(55,217)	-	(200,097)	2,782,764
97	952 Total	953	26,134	90,112	-	-	90,112	116,246
107	953 Total	953	1,330,693	67,351	-	-	67,351	1,398,044
110	954 Total	954	6,728	(6,728)	-	-	(6,728)	-
116	963 Total	963	344,215	4,494	-	-	4,494	348,709
125	968 Total	968	4,721,070	320,966	-	-	320,966	5,042,036
129	974 Total	974	1,553	27,782	-	-	27,782	29,335
136	977 Total	977	605,539	(31,977)	-	-	(31,977)	573,562
140	980 Total	980	65,199	11,663	-	-	11,663	76,863
151	993 Total	993	2,658,957	(67,978)	(124)	-	(68,102)	2,590,855
156	999 Total	999	265,724	(222,606)	-	-	(222,606)	43,118
157								
158	Total PNMR Services Labor		35,140,062	(241,692)	(146,612)	(389,881)	(778,185)	34,361,877
159								
160								
161	For Informational Purposes							
162	Labor (Non-Overtime)		35,989,677	(241,692)	(146,612)	(389,881)	(778,185)	35,211,492
163	Overtime		105,217	-	-	-	-	105,217
164	Labor Loads		(954,833)	-	-	-	-	(954,833)
165	Total Shared Services Labor		35,140,062	(241,692)	(146,612)	(389,881)	(778,185)	34,361,877

	A	B	I	J	K	L	M	N
1	PNM Exhibit HEM-4							
2	WP LA-8: Summary of Shared Services Labor							
3	PNMR Services Company Labor							
4	Base Period data is historical information from							
5	Hyperlink to Lead Sheet							
6					WP SS-3, Column L			
7	Description	Location	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Total Test Period	Adjusted Base and Test Period Variance	Test Period Adjusted Base Period Variance - %	Explanation
16	911 Total	911	3,607,944	3,652,764	3,757,865	172,330	4.72%	Escalation Adjustment
23	912 Total	912	369,730	374,322	385,093	17,660	4.72%	Escalation Adjustment
30	914 Total	914	355,266	359,680	370,029	16,969	4.72%	Escalation Adjustment
39	924 Total	924	1,151,119	1,165,418	1,198,951	54,982	4.72%	Escalation Adjustment
48	941 Total	941	11,338,016	11,234,330	11,557,575	(49,661)	-0.44%	Headcount Reductions offset by Escalation Adjustments
57	942 Total	942	1,265,142	1,280,858	1,317,712	60,428	4.72%	Escalation Adjustment
66	946 Total	946	1,358,525	1,375,401	1,414,975	64,889	4.72%	Escalation Adjustment
74	947 Total	947	314,322	318,227	327,383	15,013	4.72%	Escalation Adjustment
81	948 Total	948	1,392,017	1,409,309	1,449,860	66,488	4.72%	Escalation Adjustment
90	951 Total	951	2,800,156	2,834,941	2,916,511	133,747	4.72%	Escalation Adjustment
97	952 Total	953	116,972	118,425	121,833	5,587	4.72%	Escalation Adjustment
107	953 Total	953	1,406,782	1,424,257	1,465,237	67,193	4.72%	Escalation Adjustment
110	954 Total	954	-	-	-	-	N/A	N/A
116	963 Total	963	350,888	355,247	365,469	16,760	4.72%	Escalation Adjustment
125	968 Total	968	5,073,549	5,136,574	5,284,369	242,333	4.72%	Escalation Adjustment
129	974 Total	974	29,518	29,885	30,744	1,410	4.72%	Escalation Adjustment
136	977 Total	977	577,147	584,316	601,129	27,567	4.72%	Escalation Adjustment
140	980 Total	980	77,343	78,304	80,557	3,694	4.72%	Escalation Adjustment
151	993 Total	993	2,607,048	2,639,434	2,715,378	124,523	4.72%	Escalation Adjustment
156	999 Total	999	43,387	43,926	45,190	2,072	4.72%	Escalation Adjustment
157								
158	Total PNMR Services Labor		34,234,872	34,415,619	35,405,860	1,043,983		
159								
160								
161	For Informational Purposes							
162	Labor (Non-Overtime)		35,089,798	35,281,165	36,296,310	1,084,818		
163	Overtime		105,875	107,190	110,274	5,057		
164	Labor Loads		(960,801)	(972,736)	(1,000,725)	(45,892)		
165	Total Shared Services Labor		34,234,872	34,415,619	35,405,860	1,043,983		

	A
1	PNM Exhibit HEM-4
2	WP LA-8: Summary of Shared Services Labor
3	Notes Page for WP LA-8 - Notes contained on this page relate specifically to data contained in WP LA-8
4	Hyperlink to Lead Sheet
5	
6	WP LA-8 Notes
7	Note 1: Legal expense adjustment is removed in WP SS Shared Services (WP SS-2, Column O) for all cost types. Also, Additional Misc Pay Pension Eligible is adjusted to remove certain incentive compensation; this adjustment is made for all cost types in WP SS Shared Services (WP SS-2, Column M). The Base Period adjustment in the work paper is made to establish the Adjusted Base Period to properly reflect labor costs through the Linkage data and Test Period.
8	Note 2: PNM removed the Normalized Base Period Salary associated with PNMR's Chief Operating Officer as it was identified that this position would be eliminated during the Linkage and Test Period.
9	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	I
1	PNM Exhibit HEM-4								
2	WP LA-9 PNMR Services Normalized Labor (Excluding Overtime)								
3	Base period data is historical information from the Company's Books and Records.								
4	Hyperlink to Lead Sheet								
5	PNMR labor consists of straight-time, miscellaneous pay pension eligible, paid absence, vacation, illness, holiday, time off allowances, system operations labor, switchyard labor, Pension and Benefits Load, and Injuries and Damages Load.				WP LA-8, Column D				
6	Description	Location	Unadjusted Base Period	June 17, 2016 Pay Period	Base Period Normalization Adjustment	Normalized Labor (Column D) * 26 (pay periods in a year)	Remove Items Specifically Adjusted in WP SS (Note 3)	Remove Normalized COO Salary (Note 5)	Adjusted Base Period
14	911 Total	911	3,971,999	133,491	(883,684)	3,088,315	480,000	-	3,568,315
20	912 Total	912	365,499	14,003	(1,408)	364,090	-	-	364,090
27	914 Total	914	358,485	13,579	(5,425)	353,060	-	-	353,060
35	924 Total	924	1,279,098	43,517	(135,152)	1,143,946	-	-	1,143,946
43	941 Total	941	11,812,933	456,016	689,029	12,501,963	(548,317)	(389,881)	11,563,765
51	942 Total	942	1,207,124	45,791	44,893	1,252,017	(200)	-	1,251,817
59	946 Total	946	1,556,959	40,925	(194,727)	1,362,232	(12,721)	-	1,349,512
66	947 Total	947	299,041	12,298	20,717	319,758	(9,866)	-	309,892
72	948 Total	948	1,207,055	53,189	175,867	1,382,922	(168)	-	1,382,754
80	951 Total	951	2,980,556	103,575	(144,881)	2,835,676	(55,217)	-	2,780,459
87	952 Total	952	26,134	4,471	90,112	116,246	-	-	116,246
96	953 Total	953	1,330,421	53,760	67,351	1,397,772	-	-	1,397,772
99	954 Total	954	6,728	-	(6,728)	-	-	-	-
105	963 Total	963	344,215	13,412	4,494	348,709	-	-	348,709
113	968 Total	968	4,721,055	193,732	320,966	5,042,021	-	-	5,042,021
117	974 Total	974	1,553	1,128	27,782	29,335	-	-	29,335
123	977 Total	977	595,476	21,673	(31,977)	563,499	-	-	563,499
126	980 Total	980	54,975	2,563	11,663	66,638	-	-	66,638
136	993 Total	993	2,650,648	135,835	(67,978)	2,582,670	(124)	-	2,582,546
140	999 Total	999	264,890	1,626	(222,606)	42,284	-	-	42,284
141									
142	Total PNMR Services Labor		35,034,844	1,344,586	(241,692)	34,793,152	(146,612)	(389,881)	34,256,659
143									
144									
145									
146									
147									

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit HEM-4								
2	WP LA-9 PNMR Services Normalized Labor (Excluding Overtime)								
3	Base period data is historical information from the Company's Books and Records.								
4	Hyperlink to Lead Sheet								
5	PNMR labor consists of straight-time, miscellaneous pay pension eligible, paid absence, vacation, illness, holiday, time off allowances, system operations labor, switchyard labor, Pension and Benefits Load, and Injuries and Damages Load.				WP LA-8, Column D				
6	Description	Location	Unadjusted Base Period	June 17, 2016 Pay Period	Base Period Normalization Adjustment	Normalized Labor (Column D) * 26 (pay periods in a year)	Remove Items Specifically Adjusted in WP SS (Note 3)	Remove Normalized COO Salary (Note 5)	Adjusted Base Period
148	Payroll Tax Calculation								
149	FICA, FUTA, SUTA								
150		911							313,655
151		912							32,004
152		914							31,034
153		924							100,553
154		941							1,016,455
155		942							110,035
156		946							118,622
157		947							27,240
158		948							121,544
159		951							244,402
160		952							10,218
161		953							122,864
162		954							-
163		963							30,652
164		968							443,194
165		974							2,579
166		977							49,532
167		980							5,858
168		993							227,006
169		999							3,717
170									3,011,160

	A	B	AQ	AR	AS
1	PNM Exhibit HEM-4				
2	WP LA-9 PNMR Services Normalized Labor (Excluding Overtime)				
3	Base period data is historical information from the Company's Books and Records.				
4	Hyperlink to Lead Sheet				
5	PNMR labor consists of straight-time, miscellaneous pay pension eligible, paid absence, vacation, illness, holiday, time off allowances, system operations labor, switchyard labor, Pension and Benefits Load, and Injuries and Damages Load.				WP LA-2, Column H
6	Description	Location	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Total Test Period
14	911 Total	911	3,590,617	3,635,221	3,739,817
20	912 Total	912	366,366	370,917	381,590
27	914 Total	914	355,266	359,680	370,029
35	924 Total	924	1,151,096	1,165,395	1,198,927
43	941 Total	941	11,294,272	11,190,043	11,512,014
51	942 Total	942	1,259,641	1,275,288	1,311,982
59	946 Total	946	1,357,946	1,374,815	1,414,373
66	947 Total	947	311,829	315,703	324,787
72	948 Total	948	1,391,396	1,408,681	1,449,213
80	951 Total	951	2,797,837	2,832,592	2,914,095
87	952 Total	952	116,972	118,425	121,833
96	953 Total	953	1,406,508	1,423,980	1,464,953
99	954 Total	954	-	-	-
105	963 Total	963	350,888	355,247	365,469
113	968 Total	968	5,073,534	5,136,559	5,284,353
117	974 Total	974	29,518	29,885	30,744
123	977 Total	977	567,020	574,064	590,582
126	980 Total	980	67,055	67,888	69,841
136	993 Total	993	2,598,687	2,630,969	2,706,670
140	999 Total	999	42,548	43,077	44,316
141					
142	Total PNMR Services Labor		34,128,997	34,308,429	35,295,586
143					
144					
145					
146					
147					

	A	B	AQ	AR	AS
1	PNM Exhibit HEM-4				
2	WP LA-9 PNM Services Normalized Labor (Excluding Overtime)				
3	Base period data is historical information from the Company's Books and Records.				
4	Hyperlink to Lead Sheet				
5	PNMR labor consists of straight-time, miscellaneous pay pension eligible, paid absence, vacation, illness, holiday, time off allowances, system operations labor, switchyard labor, Pension and Benefits Load, and Injuries and Damages Load.				WP LA-2, Column H
6	Description	Location	Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	Total Test Period
148	Payroll Tax Calculation				
149	FICA, FUTA, SUTA				
150		911	285,086	258,101	265,527
151		912	29,089	26,335	27,093
152		914	28,207	25,537	26,272
153		924	91,394	82,743	85,124
154		941	899,607	794,493	817,353
155		942	100,012	90,545	93,151
156		946	107,818	97,612	100,420
157		947	24,758	22,415	23,060
158		948	110,473	100,016	102,894
159		951	222,141	201,114	206,901
160		952	9,287	8,408	8,650
161		953	111,673	101,103	104,012
162		954	-	-	-
163		963	27,860	25,223	25,948
164		968	402,826	364,696	375,189
165		974	2,344	2,122	2,183
166		977	45,020	40,759	41,931
167		980	5,324	4,820	4,959
168		993	206,329	186,799	192,174
169		999	3,378	3,058	3,146
170			2,712,628	2,435,898	2,505,987

	A	B	C	D	E	F
1	PNM Exhibit HEM-4					
2	WP LA-9 PNMR Services Normalized Labor (Excluding Overtime)					
3	Notes Page for WP LA-9 - Notes contained on this page relate specifically to data contained in WP LA-9					
4	Hyperlink to Lead Sheet					
5						
6	Escalation Factors (Note 2):	2017	2018			
7	Non-Union	2.5%	3.0%			
8						
9	Payroll Tax Rate (Note 1)	2016	2017-2018			
10		8.79%	7.10%			
11						
12	Employee FTE Headcount by Location	FTE Headcount at 6/17/2016	Changes to Headcount	FTE Headcount at 1/1/2017		
13	911 - O&M	31		31		
14	912 - O&M	7		7		
15	914 - O&M	5		5		
16	924 - O&M	11		11		
17	941 - O&M	100	(5)	95		
18	942 - O&M	11		11		
19	946 - O&M	12		12		
20	947 - O&M	3		3		
21	948 - O&M	16		16		
22	951 - O&M	24		24		
23	952 - O&M	1		1		
24	953 - O&M	14		14		
25	954 - O&M	-		-		
26	963 - O&M	4		4		
27	968 - O&M	50		50		
28	974 - O&M	0		0		
29	977 - O&M	8	-	8		
30	980 - O&M	1		1		
31	993 - O&M	35		35		
32	999 - O&M	0		0		
33	Total Non-O&M	51		51		
34	Total	386	(5)	381		
35						
36	WP LA-9 Notes					
37	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. Please refer to PNM Exhibit HEM-15 for the additional information.					
38	Note 2: PNM escalates labor in April for non-union employees at an escalation rate 2.5% for 2017 and 3.0% for 2018. For union employees, PNM escalates labor in May at an escalation rate of 2.0% for 2017 and 2.5% for 2018. Please see the testimony of PNM Witness Monfiletto.					
39	Note 3: Legal expense adjustment is removed in WP SS Shared Services (WP SS-2, Column O) for all cost types. Also, Additional Misc Pay Pension Eligible is adjusted to remove certain incentive compensation; this adjustment is made for all cost types in WP SS Shared Services (WP SS-2, Column M). The Base Period adjustment in the work paper is made to establish the Adjusted Base Period to properly reflect labor costs through the Linkage data and Test Period.					
40	Note 4: PNM functionalizes estimated headcount reduction by location, based on a calculated labor per employee by dividing the total pay period cost by the total number of employees in a functional group. For further discussion on estimated headcount reductions please refer to the testimony of PNM Witness Monfiletto.					
41	Note 5: PNM removed the Normalized Base Period Salary associated with PNMR's Chief Operating Officer as it was identified that this position would be eliminated during the Linkage and Test Period.					
42	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	AI	AJ	AK
1	PNM Exhibit HEM-4				
2	WP LA-10: PNMR Services Overtime				
3	Base Period data is historical information from the Company's Books and Records.				
4	Hyperlink to Lead Sheet				
			Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	
5	Location	Base Period			Total Test Period
6	911	17,220	17,327	17,543	18,047
7	912	3,343	3,363	3,405	3,503
8	924	23	23	23	24
9	941	43,472	43,744	44,287	45,562
10	942	5,467	5,501	5,569	5,730
11	946	575	579	586	603
12	947	2,478	2,493	2,524	2,597
13	948	617	621	629	647
14	951	2,305	2,320	2,349	2,416
15	953	272	273	277	285
16	968	15	15	15	16
17	977	10,064	10,126	10,252	10,547
18	980	10,225	10,288	10,416	10,716
19	993	8,309	8,361	8,465	8,708
20	999	834	839	849	874
21	Total Overtime	105,217	105,875	107,190	110,274
22					
23					
24					
25					

	A	B	AI	AJ	AK
1	PNM Exhibit HEM-4				
2	WP LA-10: PNMR Services Overtime				
3	Base Period data is historical information from the Company's Books and Records.				
4	Hyperlink to Lead Sheet				
			Linkage Period 1 Data 7/1/2016 - 6/30/2017	Linkage Period 2 Data 1/1/2017 - 12/31/2017	
5	Location	Base Period			Total Test Period
26					
27	Overtime Payroll Taxes				
28	FICA, FUTA, SUTA				
29	911	294	267	242	249
30	912	2	2	2	2
31	914	-	-	-	-
32	924	3,821	3,473	3,144	3,235
33	941	481	437	395	407
34	942	51	46	42	43
35	946	218	198	179	184
36	947	54	49	45	46
37	948	203	184	167	172
38	951	24	22	20	20
39	952	-	-	-	-
40	953	1	1	1	1
41	954	-	-	-	-
42	963	-	-	-	-
43	968	885	804	728	749
44	974	-	-	-	-
45	977	899	817	740	761
46	980	730	664	601	618
47	993	73	67	60	62
48	999	9,249	8,406	7,611	7,829
49		16,984	15,437	13,975	14,378

	A	B	C
1	PNM Exhibit HEM-4		
2	WP LA-10: PNMR Services Overtime		
3	Notes Page for WP LA-10 - Notes contained on this page relate specifically to data contained in WP LA-10		
4	Hyperlink to Lead Sheet		
5			
6	Escalation Factors (Note 2):	2017	2018
7	Non-Union	2.5%	3.0%
8			
9	Payroll Tax Rate (Note 3):	2016	2017 - 2018
10	FICA/FUTA/SUTA	8.79%	7.10%
11			
12	WP LA-10 Notes		
13	Note 1: PNM used the Base Period costs as the normalized Base Period amounts as these reflect a normal annual expense for cost that do not occur in all pay periods.		
14	Note 2: PNM escalates labor in April for non-union employees at an escalation rate 2.5% for 2017 and 3.0% for 2018. For union employees, PNM escalates labor in May at an escalation rate of 2.0% for 2017 and 2.5% for 2018. Please see the testimony of PNM Witness Monfiletto.		
15	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. Please refer to PNM Exhibit HEM-15 for the additional information on PNM capital loads.		
16	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.		

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP SS

Is contained in the following 25 pages

	A	B	C	D	E
1	PNM Exhibit HEM-4				
2	WP SS - Lead Sheet				
3				<i>Provides Information To</i>	<i>Requires Information From</i>
4	<i>Tab Reference</i>	<i>Description</i>	<i>Purpose</i>	<i>Tab Name</i>	<i>Tab Name</i>
5	WP SS-1	Summary of Shared Services	Summarizes the Shared Services for Base and Test Periods		WP SS-2, WP SS-3
6	WP SS-2	Shared Services Base Period adjustments	Provides the Shared Services adjustments to the Base Period	WP SS-1, WP SS-3, WP SS-4	WP SS-5, WP SS-7, WP SS-8, WP SS-9, WP SS-10, WP SS-12, WP LA-Labor Workpaper.xlsx; WP LA-8
7	WP SS-3	Summary of Non-Escalating Shared Services items	Identifies costs that are specifically forecasted for the Test Period and also provides for escalation from adjusted Base Period to Test Period	WP SS-1, WP SS-4	WP SS-2, WP SS-6, WP SS-10, WP LA-Labor Workpaper.xlsx; WP LA-8, WP OM- OM Workpaper.xlsx; WP OM-6
8	WP SS-4	Summary of Base Period Adjustments	Provides a summary of Base Period Shared Services adjustments functionalized for cost of service	WP Plant - Net Plant Workpaper.xlsx; WP Plant 1b, WP GT - General Taxes Workpaper.xlsx; WP GT-2, WP OM - OM Workpaper.xlsx; WP OM-2, OM-3	WP SS-2, WP SS-7, WP SS-8, WP SS-9
9	WP SS-5	2016 Base Period Allocation Rates	Provides the 2016 Shared Services allocation rates to be used for the Base Period	WP SS-2, WP SS-7, WP SS-8, WP SS-9, WP SS-13	Manual Inputs
10	WP SS-6	2018 Test Period Allocation Rates	Provides the 2018 allocation rates for Shared Services to be used for the Test Period	WP SS-3, WP SS-8, WP SS-14	Manual Inputs
11	WP SS-7	Base Period Revenue allocation	Provides the allocation of revenue for the Base Period by location	WP SS-2, WP SS-4, WP RC - Revenue Credits Workpaper.xlsx; WP RC-1	WP SS-5
12	WP SS-8	Payroll Taxes allocation	Provides the allocation of payroll taxes for the base, Linkage and Test Periods by location	WP SS-2, WP SS-4	WP SS-5, WP SS-6, WP LA-Labor Workpaper.xlsx; WP LA-9, WP LA-10
13	WP SS-9	Base Period Property Taxes allocation	Provides the allocation of property taxes for the Base Period by location	WP SS-2, WP SS-4	WP SS-5
14	WP SS-10	Incentive Compensation pg. 1	Provides a summary of incentive compensation for the base, Linkage and Test Periods	WP SS-2, WP SS-3, WP SS-13, WP SS-14	WP SS-11
15	WP SS-11	Incentive Compensation pg. 2	Provides the calculations for incentive compensation for the Linkage and Test Periods.	WP SS-10	WP LA-Labor Workpaper.xlsx; WP LA-9, Manual Inputs
16	WP SS-12	Dues, Fees, and Fines	Provides a summary of the categorization of the element of cost: dues, fees and fines.	WP SS-2	Manual Inputs
17	WP SS-13	Linkage Data for Shared Services: 07-01-2016 through 06-30-2017	Provides a summary of Shared Services by location, including the allocation to PNM, for the Linkage period 1	WP OM-O&M Workpaper.xlsx; WP OM-11	WP SS-3, WP SS-5, WP SS-10, WP LA-Labor Workpaper.xlsx; WP LA-8, WP OM - OM Workpaper.xlsx; WP OM-6
18	WP SS-14	Linkage Data for Shared Services: 01-01-2017 through 12-31-2017	Provides a summary of Shared Services by location, including the allocation to PNM, for the Linkage period 2	WP OM-O&M Workpaper.xlsx; WP OM-11	WP SS-3, WP SS-6, WP SS-10, WP LA-Labor Workpaper.xlsx; WP LA-8, WP OM - OM Workpaper.xlsx; WP OM-6
19	Note: File name is provided if worksheet is linked to external workbook.				

	A	B	C	D	E	F	G	H	I	J	K
1	PNM Exhibit HEM-4										
2	WP SS-1: Shared Services Summary										
3	Note - Base Period data is historical information from the Company's Books										
4	and Records.										
5	Hyperlink to Lead Sheet										
6			Total Shared Services	WP-SS 2, Column T	Column C + Column D	WP SS-2, Column Y	WP-SS 3, Column R	WP-SS 3, Column V	Column H less Column F	Column I / Column F	
7	Location	Elements of Cost	Unadjusted Base Period	Base Period Adjustments	Adjusted Base Period	Allocated Adjusted Base Period to PNM	Total Company Shared Services Test Period	Allocated Test Period to PNM	Test Period to Adjusted Base Period Variance - \$	Test Period to Adjusted Base Period Variance - %	Explanation
39	911	Total Location 911	9,776,318	(2,986,693)	6,789,625	4,582,997	7,010,016	4,622,404	39,408	0.86%	N/A
53	912	Total Location 912	403,269	(22,403)	380,866	254,037	398,727	260,927	6,889	2.71%	N/A
67	914	Total Location 914	1,082,674	(721,237)	361,437	284,921	378,531	301,122	16,201	5.69%	N/A
90	924	Total Location 924	3,418,692	(1,766,686)	1,652,006	1,652,006	1,714,609	1,714,609	62,603	3.79%	N/A
132	941	Total Location 941	23,373,322	(5,195,323)	18,177,999	13,995,241	18,226,899	14,027,422	32,180	0.23%	N/A
162	942	Total Location 942	8,424,565	(3,682,538)	4,742,027	4,742,027	5,762,074	5,762,074	1,020,046	21.51%	Note 1
184	946	Total Location 946	7,054,843	(4,061,252)	2,993,591	2,993,591	3,982,456	3,982,456	988,865	33.03%	Note 1
206	947	Total Location 947	2,742,064	(1,219,885)	1,522,179	1,522,179	1,723,860	1,723,860	201,681	13.25%	Note 1
229	948	Total Location 948	1,882,184	(259,260)	1,622,924	1,622,924	1,693,006	1,693,006	70,082	4.32%	N/A
265	951	Total Location 951	7,412,622	(2,928,420)	4,484,201	4,484,201	4,643,470	4,643,470	159,268	3.55%	N/A
277	952	Total Location 952	67,811	55,829	123,641	123,641	129,339	129,339	5,698	4.61%	N/A
306	953	Total Location 953	8,873,471	(3,073,540)	5,799,930	-	6,546,560	-	-	0.00%	N/A
317	954	Total Location 954	392,570	(131,725)	260,845	260,845	381,137	381,137	120,292	46.12%	Note 1
336	963	Total Location 963	1,614,942	3,183	1,618,125	1,223,950	1,653,926	1,243,421	19,472	1.59%	N/A
339	964	Total Location 964	653,849	(653,849)	-	-	-	-	-	0.00%	N/A
367	968	Total Location 968	19,733,419	(4,555,191)	15,178,229	11,398,850	15,572,605	11,758,874	360,024	3.16%	N/A
381	974	Total Location 974	233,777	(27,859)	205,918	154,645	209,977	158,554	3,909	2.53%	N/A
409	977	Total Location 977	2,507,085	(471,336)	2,035,749	1,594,399	2,085,249	1,628,371	33,972	2.13%	N/A
424	980	Total Location 980	640,989	9,229	650,218	643,781	662,512	653,900	10,119	1.57%	N/A
426	992	Total Location 992	(10)	-	(10)	(7)	(10)	(8)	(0)	1.46%	N/A
463	993	Total Location 993	20,192,148	(4,591,155)	15,600,992	11,781,869	15,909,244	11,989,206	207,337	1.76%	N/A
487	999	Total Location 999	(120,480,661)	121,179,643	698,982	-	710,892	-	-	0.00%	N/A
488	Grand Total		(57)	84,899,532	84,899,475	63,316,097	89,395,078	66,674,142	3,358,045		
489											
490											
491	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.										
492											
493											
494	Note 1: Increase driven primarily by Incentive Compensation. Please refer to WP SS-10 and WP SS-11 for a detail listing of adjustments to Incentive Compensation.										
495											
496											
497											

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit HEM-4								
2	WP SS-2: Shared Services Base Period Adjustments								
3	Note - Base Period data is historical information from								
4	the Company's Books and Records								
5	Hyperlink to Lead Sheet			Shared Services Base Period Adjustments					
6				Note 2	Note 1	Note 2	Note 2	Note 2	Note 8
7	Location	Elements of Cost	Total SS Base Period	Reclass Depreciation	Remove Other Income and Deductions	Reclass Revenue	Reclass Payroll Tax	Reclass Property Tax	Remove Excess Gross Receipts Tax
39	911	Total Location 911	9,776,318	(971,552)	22,219	-	554	-	(189,512)
53	912	Total Location 912	403,269	(9,549)	(11,446)	-	-	-	-
67	914	Total Location 914	1,082,674	(715,812)	-	-	-	-	-
90	924	Total Location 924	3,418,692	(1,470,388)	(28,580)	-	-	-	-
132	941	Total Location 941	23,373,322	(3,174,716)	589,666	-	(84,606)	(698,385)	-
162	942	Total Location 942	8,424,565	-	(2,000)	-	(180,975)	(3)	-
184	946	Total Location 946	7,054,843	-	-	-	(186,029)	-	-
206	947	Total Location 947	2,742,064	-	-	-	(55,081)	-	-
229	948	Total Location 948	1,882,184	(434,959)	-	-	-	-	-
265	951	Total Location 951	7,412,622	(82,841)	(1,741,581)	-	17,500	-	-
277	952	Total Location 952	67,811	-	(24,000)	-	(916)	-	-
306	953	Total Location 953	8,873,471	(113,420)	-	-	(151,856)	-	-
317	954	Total Location 954	392,570	-	(735)	-	(17,817)	-	-
336	963	Total Location 963	1,614,942	-	(1,311)	-	-	-	-
339	964	Total Location 964	653,849	(653,849)	-	-	-	-	-
367	968	Total Location 968	19,733,419	(4,874,123)	-	-	-	-	-
381	974	Total Location 974	233,777	(62,215)	-	-	-	6,575	-
409	977	Total Location 977	2,507,085	(1,037,497)	6,632	151,173	-	62,251	-
424	980	Total Location 980	640,989	(2,435)	-	-	-	-	-
426	992	Total Location 992	(10)	-	-	-	-	-	-
463	993	Total Location 993	20,192,148	(157,921)	(69)	-	(2,629,867)	-	-
487	999	Total Location 999	(120,480,661)	-	(511,885)	-	(46)	-	-
488	Grand Total		(57)	(13,761,276)	(1,703,091)	151,173	(3,289,138)	(629,562)	(189,512)
489									
490									
491									
492									
493									

	A	B	J	K	L	M	N	O	P	Q	R	S	T
1	PNM Exhibit HEM-4												
2	WP SS-2: Shared Services Base Period Adjustments												
3	Note - Base Period data is historical information from												
4	the Company's Books and Records												
5	Hyperlink to Lead Sheet												
6			Shared Services Base Period Adjustments										
			Note 3	WP SS-12, Column B	Note 4	WP SS-10, Column D, lines 265-277	Note 5	Note 6	Note 7	WP-LA 8, Column D	WP-LA 8, Column F	WP-OM 6, Column H	Sum Column D through S
7	Location	Elements of Cost	Elimination of Shared Services Billings	Remove Dues, Subscriptions & Membership Fees	Remove Non- Recurring Expenses	Remove Incentive Compensation	Remove Miscellaneous Expenses	Remove Certain Legal Expenses	Non- Allowable Advertising	Normalize Labor Adjustment	Remove Normalized COO Salary	Normalize Active Medical and Dental Adjustment	Total Base Period Adjustments
39	911	Total Location 911	-	(6,934)	-	(867,917)	(89,868)	-	-	(883,684)	-	-	(2,986,693)
53	912	Total Location 912	-	-	-	-	-	-	-	(1,408)	-	-	(22,403)
67	914	Total Location 914	-	-	-	-	-	-	-	(5,425)	-	-	(721,237)
90	924	Total Location 924	-	-	-	-	-	-	(132,565)	(135,152)	-	-	(1,766,686)
132	941	Total Location 941	-	(1,320,900)	-	(564,019)	(156,412)	(85,044)	(57)	689,029	(389,881)	-	(5,195,323)
162	942	Total Location 942	-	(2,500)	-	(3,435,680)	-	(200)	(106,072)	44,893	-	-	(3,682,538)
184	946	Total Location 946	-	(190)	-	(3,272,512)	-	(407,794)	-	(194,727)	-	-	(4,061,252)
206	947	Total Location 947	-	-	-	(1,059,401)	-	(126,120)	-	20,717	-	-	(1,219,885)
229	948	Total Location 948	-	-	-	-	-	(168)	-	175,867	-	-	(259,260)
265	951	Total Location 951	-	(44,297)	-	209,545	(10,467)	(15,522)	(1,115,877)	(144,881)	-	-	(2,928,420)
277	952	Total Location 952	-	-	-	(9,366)	-	-	-	90,112	-	-	55,829
306	953	Total Location 953	-	-	-	(2,874,885)	-	-	(731)	67,351	-	-	(3,073,540)
317	954	Total Location 954	-	-	-	(106,445)	-	-	-	(6,728)	-	-	(131,725)
336	963	Total Location 963	-	-	-	-	-	-	-	4,494	-	-	3,183
339	964	Total Location 964	-	-	-	-	-	-	-	-	-	-	(653,849)
367	968	Total Location 968	-	(2,034)	-	-	-	-	-	320,966	-	-	(4,555,191)
381	974	Total Location 974	-	-	-	-	-	-	-	27,782	-	-	(27,859)
409	977	Total Location 977	-	-	378,082	-	-	-	-	(31,977)	-	-	(471,336)
424	980	Total Location 980	-	-	-	-	-	-	-	11,663	-	-	9,229
426	992	Total Location 992	-	-	-	-	-	-	-	-	-	-	-
463	993	Total Location 993	-	(16,660)	-	-	-	(124)	-	(67,978)	-	(1,718,537)	(4,591,155)
487	999	Total Location 999	121,917,073	(2,893)	-	-	-	-	-	(222,606)	-	-	121,179,643
488	Grand Total		121,917,073	(1,396,407)	378,082	(11,980,681)	(256,746)	(634,973)	(1,355,302)	(241,692)	(389,881)	(1,718,537)	84,899,532
489													
490													
491													
492													
493													

	A	B	U	V	W	X	Y
1	PNM Exhibit HEM-4						
2	WP SS-2: Shared Services Base Period Adjustments						
3	Note - Base Period data is historical information from						
4	the Company's Books and Records						
5	Hyperlink to Lead Sheet		Allocation of Shared Services				
6			Column C + Column T	Column U* 2016 CAM rates	Column U* 2016 CAM rates	Column U* 2016 CAM rates	Sum Column V through Column X
7	Location	Elements of Cost	Base Period Adjusted Shared Services	001 - Distribution	003 - Production	002 - Transmission	Total PNM Adjusted Shared Services Allocation
39	911	Total Location 911	6,789,625	2,611,290	1,454,338	517,369	4,582,997
53	912	Total Location 912	380,866	136,959	73,469	43,609	254,037
67	914	Total Location 914	361,437	208,585	32,276	44,059	284,921
90	924	Total Location 924	1,652,006	1,652,006	-	-	1,652,006
132	941	Total Location 941	18,177,999	6,415,016	6,144,164	1,436,062	13,995,241
162	942	Total Location 942	4,742,027	4,742,027	-	-	4,742,027
184	946	Total Location 946	2,993,591	-	2,993,591	-	2,993,591
206	947	Total Location 947	1,522,179	-	-	1,522,179	1,522,179
229	948	Total Location 948	1,622,924	1,300,125	-	322,800	1,622,924
265	951	Total Location 951	4,484,201	2,069,907	1,959,148	455,146	4,484,201
277	952	Total Location 952	123,641	-	-	123,641	123,641
306	953	Total Location 953	5,799,930	-	-	-	-
317	954	Total Location 954	260,845	260,845	-	-	260,845
336	963	Total Location 963	1,618,125	694,499	451,619	77,832	1,223,950
339	964	Total Location 964	-	-	-	-	-
367	968	Total Location 968	15,178,229	6,673,867	3,875,002	849,981	11,398,850
381	974	Total Location 974	205,918	90,542	52,571	11,531	154,645
409	977	Total Location 977	2,035,749	944,384	519,523	130,492	1,594,399
424	980	Total Location 980	650,218	130,694	480,836	32,251	643,781
426	992	Total Location 992	(10)	(3)	(3)	(1)	(7)
463	993	Total Location 993	15,600,992	7,112,492	4,090,580	578,797	11,781,869
487	999	Total Location 999	698,982	-	-	-	-
488	Grand Total		84,899,475	35,043,236	22,127,113	6,145,748	63,316,097
489							
490						Production	22,127,113
491						Transmission	6,145,748
492						Distribution	35,043,236
493							

	A
1	PNM Exhibit HEM-4
2	WP SS-2: Shared Services Base Period Adjustments
3	Notes Page for WP SS-2: Notes contained on this page relate specifically to data contained in WP SS-2
4	Hyperlink to Lead Sheet
5	
6	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.
7	Note 1: PNM does not seek recovery of other income and deduction activity.
8	Note 2: PNM reclasses these Shared Services cost categories to ensure that they are allocated appropriately in the Cost of Service model.
9	Note 3: Location 999 activities are held at PNMR Shared Services and are not allocated to PNM. Adjustment reflects elimination of the billings from PNMR Shared Services to its subsidiaries.
10	Note 4: PNM does not seek recovery of non-recurring expenses. Non-recurring expenses are tracked in the Company's books and records by a unique home center.
11	Note 5: PNM does not seek recovery of miscellaneous expenses incurred by Senior Management.
12	Note 6: PNM does not seek recovery of certain legal expenses. Please refer to the testimony of PNM Witness Sanchez.
13	Note 7: PNM does not seek recovery of certain advertising expenses. Please refer to the testimony of PNM Witness Cavanaugh.
14	Note 8: PNM Removed the excess gross receipt taxes adjustment, from prior period billing, that was recorded in the Base Period. PNM does not expect a similar adjustment in the Test Period.

	A	B	C	D	E	F	G	H
1	PNM Exhibit HEM-4							
2	WP SS-3: Summary of Shared Services - Base Period to Test Period							
3	Note - Base period data is historical information from the							
4	Company's Books and Records.							
5	Hyperlink to Lead Sheet							
6				Remove Specifically Forecasted Items from Base Period				
7			WP-SS 2, Column T	WP LA 8, Column G	WP SS-10, Column E, line 32	WP OM-6 Column G	WP OM-20 Column C, lines 40 and 41	Sum Column D through Column G
8	Location	Elements of Cost	Adjusted Base Period Shared Services	Shared Services Labor	Shared Services Incentive Compensation	Shared Services Active Medical and Dental	Shared Services Property Insurance	Total Removal of Specifically Forecasted Items
40	911	Total Location 911	6,789,625	(3,585,535)	-	-	-	(3,585,535)
54	912	Total Location 912	380,866	(367,433)	-	-	-	(367,433)
68	914	Total Location 914	361,437	(353,060)	-	-	-	(353,060)
91	924	Total Location 924	1,652,006	(1,143,969)	-	-	-	(1,143,969)
133	941	Total Location 941	18,177,999	(11,607,237)	-	-	-	(11,607,237)
163	942	Total Location 942	4,742,027	(1,257,284)	(861,064)	-	-	(2,118,348)
185	946	Total Location 946	2,993,591	(1,350,087)	(853,450)	-	-	(2,203,537)
207	947	Total Location 947	1,522,179	(312,370)	(159,924)	-	-	(472,294)
230	948	Total Location 948	1,622,924	(1,383,371)	-	-	-	(1,383,371)
266	951	Total Location 951	4,484,201	(2,782,764)	-	-	-	(2,782,764)
278	952	Total Location 952	123,641	(116,246)	-	-	-	(116,246)
307	953	Total Location 953	5,799,930	(1,398,044)	(582,119)	-	-	(1,980,163)
318	954	Total Location 954	260,845	-	(110,443)	-	-	(110,443)
337	963	Total Location 963	1,618,125	(348,709)	-	-	-	(348,709)
340	964	Total Location 964	-	-	-	-	-	-
368	968	Total Location 968	15,178,229	(5,042,036)	-	-	-	(5,042,036)
382	974	Total Location 974	205,918	(29,335)	-	-	-	(29,335)
410	977	Total Location 977	2,035,749	(573,562)	-	-	-	(573,562)
425	980	Total Location 980	650,218	(76,863)	-	-	-	(76,863)
427	992	Total Location 992	(10)	-	-	-	-	-
464	993	Total Location 993	15,600,992	(2,590,855)	-	(3,737,096)	(205,023)	(6,532,975)
488	999	Total Location 999	698,982	(43,118)	-	-	-	(43,118)
489	Grand Total		84,899,475	(34,361,877)	(2,567,000)	(3,737,096)	(205,023)	(40,870,996)
490								
491	Escalation Factor	1.50%						
492	Period of Escalation	1						
493								
494	General Note: The electronic version of this worksheet uses the Microsoft							
495	excel outline function. This function groups the elements of cost, and or							
496	columns for print formatting purposes.							
497								
498								

	A	B	I	J	K	L	M	N	O	P	Q
1	PNM Exhibit HEM-4										
2	WP SS-3: Summary of Shared Services - Base Period to Test Period										
3	Note - Base period data is historical information from the										
4	Company's Books and Records.										
5	Hyperlink to Lead Sheet										
6						Specifically Forecasted Shared Services Items for Test Period					
7			Column C + Column H	Column I * (Escalation Factor * Escalation Period)	Column I + Column J	WP-LA 8, Column K	WP SS-10, Column G	WP OM-6 Column K	WP OM-22 Column G	WP OM-20 Column J, lines 40 and 41	Sum Column L through P
8	Location	Elements of Cost	Remaining Shared Services to be escalated	Escalation to Test Period	Subtotal Test Period, before Specifically Forecasting Shared Services OM	Shared Services Labor Test Period Adjustment	Shared Services Incentive Compensation	Shared Services Active Medical and Dental	Benefits Impact for Headcount Reductions	Shared Services Property Insurance	Total Specifically Forecasted Shared Services Items
40	911	Total Location 911	3,204,090	48,061	3,252,151	3,757,865	-	-	-	-	3,757,865
54	912	Total Location 912	13,432	201	13,634	385,093	-	-	-	-	385,093
68	914	Total Location 914	8,377	126	8,503	370,029	-	-	-	-	370,029
91	924	Total Location 924	508,037	7,621	515,658	1,198,951	-	-	-	-	1,198,951
133	941	Total Location 941	6,570,762	98,561	6,669,324	11,557,575	-	-	-	-	11,557,575
163	942	Total Location 942	2,623,680	39,355	2,663,035	1,317,712	1,781,327	-	-	-	3,099,039
185	946	Total Location 946	790,054	11,851	801,904	1,414,975	1,765,577	-	-	-	3,180,552
207	947	Total Location 947	1,049,885	15,748	1,065,633	327,383	330,843	-	-	-	658,227
230	948	Total Location 948	239,553	3,593	243,147	1,449,860	-	-	-	-	1,449,860
266	951	Total Location 951	1,701,437	25,522	1,726,959	2,916,511	-	-	-	-	2,916,511
278	952	Total Location 952	7,395	111	7,506	121,833	-	-	-	-	121,833
307	953	Total Location 953	3,819,768	57,297	3,877,064	1,465,237	1,204,259	-	-	-	2,669,496
318	954	Total Location 954	150,402	2,256	152,658	-	228,479	-	-	-	228,479
337	963	Total Location 963	1,269,416	19,041	1,288,457	365,469	-	-	-	-	365,469
340	964	Total Location 964	-	-	-	-	-	-	-	-	-
368	968	Total Location 968	10,136,193	152,043	10,288,235	5,284,369	-	-	-	-	5,284,369
382	974	Total Location 974	176,584	2,649	179,232	30,744	-	-	-	-	30,744
410	977	Total Location 977	1,462,187	21,933	1,484,120	601,129	-	-	-	-	601,129
425	980	Total Location 980	573,355	8,600	581,955	80,557	-	-	-	-	80,557
427	992	Total Location 992	(10)	(0)	(10)	-	-	-	-	-	-
464	993	Total Location 993	9,068,018	136,020	9,204,038	2,715,378	-	4,120,149	(210,044)	79,723	6,705,206
488	999	Total Location 999	655,864	9,838	665,702	45,190	-	-	-	-	45,190
489	Grand Total		44,028,479	660,427	44,688,906	35,405,860	5,310,484	4,120,149	(210,044)	79,723	44,706,172
490											
491	Escalation Factor	1.50%									
492	Period of Escalation	1									
493											
494	General Note: The electronic version of this worksheet uses the Microsoft										
495	excel outline function. This function groups the elements of cost, and or										
496	columns for print formatting purposes.										
497											
498											

	A	B	R	S	T	U	V
1	PNM Exhibit HEM-4						
2	WP SS-3: Summary of Shared Services - Base Period to Test Period						
3	Note - Base period data is historical information from the						
4	Company's Books and Records.						
5	Hyperlink to Lead Sheet						
6			Shared Services Test Period Allocation				
7			Column K + Column Q	Column R* 2018 CAM rates	Column R* 2018 CAM rates	Column R* 2018 CAM rates	Sum Column S through U
8	Location	Elements of Cost	Total Company Shared Services Test Period	001 - Distribution	003 - Production	002 - Transmission	Total PNM Shared Services Allocation Test Period
40	911	Total Location 911	7,010,016	2,497,669	1,643,148	481,588	4,622,404
54	912	Total Location 912	398,727	139,754	76,356	44,817	260,927
68	914	Total Location 914	378,531	218,829	36,036	46,257	301,122
91	924	Total Location 924	1,714,609	1,714,609	-	-	1,714,609
133	941	Total Location 941	18,226,899	6,007,586	6,594,492	1,425,344	14,027,422
163	942	Total Location 942	5,762,074	5,762,074	-	-	5,762,074
185	946	Total Location 946	3,982,456	-	3,982,456	-	3,982,456
207	947	Total Location 947	1,723,860	-	-	1,723,860	1,723,860
230	948	Total Location 948	1,693,006	1,335,951	-	357,055	1,693,006
266	951	Total Location 951	4,643,470	2,006,908	2,170,358	466,204	4,643,470
278	952	Total Location 952	129,339	-	-	129,339	129,339
307	953	Total Location 953	6,546,560	-	-	-	-
318	954	Total Location 954	381,137	381,137	-	-	381,137
337	963	Total Location 963	1,653,926	719,954	444,906	78,561	1,243,421
340	964	Total Location 964	-	-	-	-	-
368	968	Total Location 968	15,572,605	6,808,343	4,171,901	778,630	11,758,874
382	974	Total Location 974	209,977	91,802	56,253	10,499	158,554
410	977	Total Location 977	2,085,249	925,016	573,235	130,120	1,628,371
425	980	Total Location 980	662,512	145,289	470,185	38,426	653,900
427	992	Total Location 992	(10)	(3)	(4)	(1)	(8)
464	993	Total Location 993	15,909,244	7,192,569	4,128,449	668,188	11,989,206
488	999	Total Location 999	710,892	-	-	-	-
489	Grand Total		89,395,078	35,947,485	24,347,771	6,378,886	66,674,142
490							
491	Escalation Factor	1.50%				Production	24,347,771
492	Period of Escalation	1				Transmission	6,378,886
493						Distribution	35,947,485
494	General Note: The electronic version of this worksheet uses the Microsoft						
495	excel outline function. This function groups the elements of cost, and or						
496	columns for print formatting purposes.						
497							
498							

	A	B	C	D
1	PNM Exhibit HEM-4			
2	WP SS-4: Shared Services Base Period Adjustments Functionalized			
3	Note - Base Period data is historical information from the Company's Books and Records.			
4	Hyperlink to Lead Sheet			
5				
6			Allocated to PNM	Reference
7				
8	Unadjusted Base Period Allocations to PNM			
9		Production	33,448,917	WP OM 2, Column C
10		Transmission	8,727,938	WP OM 2, Column C
11		Distribution	49,586,750	WP OM 2, Column C
12		Total	91,763,605	
13				
14	Adjusted Base Period Allocations to PNM			
15		Production	22,127,113	WP SS 2, Column Y
16		Transmission	6,145,748	WP SS 2, Column Y
17		Distribution	35,043,236	WP SS 2, Column Y
18		Total	63,316,097	
19				
20	Base Period Adjustments to PNM			
21		Production	(11,321,804)	Line 15 - Line 9
22		Transmission	(2,582,190)	Line 16 - Line 10
23		Distribution	(14,543,514)	Line 17 - Line 11
24		Total	(28,447,508)	WP OM 3, Column D
25				
26	PNM Payroll Taxes - Adjusted Base Period			
27		Production	981,028	WP SS-8, Column F
28		Transmission	262,128	WP SS-8, Column F
29		Distribution	1,426,025	WP SS-8, Column F
30		Total	2,669,181	WP GT 4, Column D
31				
32	PNM Property Taxes - Base Period			
33		Production	218,489	WP SS-9, Column G
34		Transmission	50,814	WP SS-9, Column G
35		Distribution	214,694	WP SS-9, Column G
36		Total	483,997	WP GT 2, Column K
37				
38	PNM Revenue - Base Period			
39		Production	(38,579)	WP SS-7, Column E
40		Transmission	(9,690)	WP SS-7, Column F
41		Distribution	(70,129)	WP SS-7, Column D
42		Total	(118,399)	WP RC-1, Column D
43				
44	Note: This schedule is used to gather information from with the Shared Services workpaper and provides the data to other workbooks included in PNM Exhibit HEM-4.			

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1		PNM Exhibit HEM-4													
2		WP SS-5: Base Period Allocation Rates													
3		2016 Allocation Rates reflected in the Cost Allocation Manual													
4		filed December 22, 2015.													
5		Hyperlink to Lead Sheet													
6															
7			001	003	002	034	035	012	008				Column D	Column E + Column G	Column C + Column F
8	Location	Location Description	Electric Services	Bulk Generation	Electric Transmission	NM- Distribution	NM- Transmission	TNMP-TX	PNM Resources	Total PNM	Check Total		Total Production	Total Transmission	Total Distribution
9															
10	174	Gen Mgmt-001/002/034/035	68.26%	0.00%	18.98%	11.85%	0.91%	0.00%	0.00%	100.00%	100.00%		0.00%	19.89%	80.11%
11															
12	188	PNM Elec Customers	89.97%	0.00%	0.00%	10.03%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	0.00%	100.00%
13	192	TNMP - Texas (Svcs Agreement)	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%		0.00%	0.00%	0.00%
14	194	Assets - SNM 034/035	0.00%	0.00%	0.00%	83.59%	16.41%	0.00%	0.00%	100.00%	100.00%		0.00%	16.41%	83.59%
15	911	Financial Systems	38.46%	21.42%	7.62%	0.00%	0.00%	32.50%	0.00%	67.50%	100.00%		21.42%	7.62%	38.46%
16	912	Accounts Payable	35.96%	19.29%	11.45%	0.00%	0.00%	33.30%	0.00%	66.70%	100.00%		19.29%	11.45%	35.96%
17	914	Asset Management	57.71%	8.93%	12.19%	0.00%	0.00%	21.17%	0.00%	78.83%	100.00%		8.93%	12.19%	57.71%
18															
19	924	Number of Customers	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	0.00%	100.00%
20	941	Direct PNMR Utility	35.29%	33.80%	7.90%	0.00%	0.00%	23.01%	0.00%	76.99%	100.00%		33.80%	7.90%	35.29%
21	942	Direct PNM Electric Services	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	0.00%	100.00%
22	946	Direct PNM Bulk Generation	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		100.00%	0.00%	0.00%
23	947	Direct PNM Elec Transmission	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	100.00%	0.00%
24	948	Direct PNM Util T&D (wo Bulk, wo Texas)	80.11%	0.00%	19.89%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	19.89%	80.11%
25															
26	951	Direct PNM Util w Bulk Gen, wo Texas	46.16%	43.69%	10.15%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		43.69%	10.15%	46.16%
27	952	Direct PNM SNM - Transmission	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	100.00%	0.00%
28	953	Direct TNMP - Texas	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%		0.00%	0.00%	0.00%
29	954	Direct PNM SNM - Distribution	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	0.00%	100.00%
30															
31															
32	963	IT - Telecomm	42.92%	27.91%	4.81%	0.00%	0.00%	24.36%	0.00%	75.64%	100.00%		27.91%	4.81%	42.92%
33	964	IT - Desktops	45.13%	25.88%	5.94%	0.00%	0.00%	23.05%	0.00%	76.95%	100.00%		25.88%	5.94%	45.13%
34	968	IT - Infrastructure	43.97%	25.53%	5.60%	0.00%	0.00%	24.90%	0.00%	75.10%	100.00%		25.53%	5.60%	43.97%
35	973	Building - Texas Lewisville	29.33%	20.24%	3.64%	0.00%	0.00%	46.79%	0.00%	53.21%	100.00%		20.24%	3.64%	29.33%
36	974	Dallas Building - Las Colinas	43.97%	25.53%	5.60%	0.00%	0.00%	24.90%	0.00%	75.10%	100.00%		25.53%	5.60%	43.97%
37	977	Abq Downtown Buildings -- Alvarado Square, Headquarters, Annex	46.39%	25.52%	6.41%	0.00%	0.00%	21.68%	0.00%	78.32%	100.00%		25.52%	6.41%	46.39%
38	980	Abq Aztec Building	20.10%	73.95%	4.96%	0.00%	0.00%	0.99%	0.00%	99.01%	100.00%		73.95%	4.96%	20.10%
39															
40															
41	992	General Allocator (BUDGET)	35.29%	33.80%	7.90%	0.00%	0.00%	23.01%	0.00%	76.99%	100.00%		33.80%	7.90%	35.29%
42	993	Employee Headcount (PNMR)	45.59%	26.22%	3.71%	0.00%	0.00%	24.48%	0.00%	75.52%	100.00%		26.22%	3.71%	45.59%
43	995	Employee Headcount	45.59%	26.22%	3.71%	0.00%	0.00%	24.48%	0.00%	75.52%	100.00%		26.22%	3.71%	45.59%
44	999	Direct PNMR Holding Co.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	100.00%		0.00%	0.00%	0.00%

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PNM Exhibit HEM-4														
2	WP SS-6: Test Period Allocation Rates														
3	2018 Allocation Rates are based on the 2017 Cost Allocation Manual rates.														
4	Please refer to PNM Exhibit HEM-7.														
5	Hyperlink to Lead Sheet														
6															
7			001	003	002	034	035	012	008				Column D	Column E +	Column C +
8	Location	Location Description	Electric	Bulk	Electric	NM-	NM-	TNMP-TX	PNM	Total PNM	Check Total		Total	Column G	Column F
9			Services	Generation	Transmission	Distribution	Transmission		Resources				Production	Total	Total
10	174	Gen Mgmt-001/002/034/035	78.91%	0.00%	21.09%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	21.09%	78.91%
11															
12	188	PNM Elec Customers	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	0.00%	100.00%
13	192	TNMP - Texas (Svcs Agreement)	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%		0.00%	0.00%	0.00%
14	194	Assets - SNM 034/035	78.91%	0.00%	21.09%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	21.09%	78.91%
15	911	Financial Systems	35.63%	23.44%	6.87%	0.00%	0.00%	34.06%	0.00%	65.94%	100.00%		23.44%	6.87%	35.63%
16	912	Accounts Payable	35.05%	19.15%	11.24%	0.00%	0.00%	34.56%	0.00%	65.44%	100.00%		19.15%	11.24%	35.05%
17	914	Asset Management	57.81%	9.52%	12.22%	0.00%	0.00%	20.45%	0.00%	79.55%	100.00%		9.52%	12.22%	57.81%
18															
19	924	Number of Customers	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	0.00%	100.00%
20	941	Direct PNM Utility	32.96%	36.18%	7.82%	0.00%	0.00%	23.04%	0.00%	76.96%	100.00%		36.18%	7.82%	32.96%
21	942	Direct PNM Electric Services	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	0.00%	100.00%
22	946	Direct PNM Bulk Generation	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		100.00%	0.00%	0.00%
23	947	Direct PNM Elec Transmission	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	100.00%	0.00%
24	948	Direct PNM Util T&D (wo Bulk, wo Texas)	78.91%	0.00%	21.09%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	21.09%	78.91%
25															
26	951	Direct PNM Util w Bulk Gen, wo Texas	43.22%	46.74%	10.04%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		46.74%	10.04%	43.22%
27	952	Direct PNM SNM - Transmission	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	100.00%	0.00%
28	953	Direct TNMP - Texas	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%		0.00%	0.00%	0.00%
29	954	Direct PNM SNM - Distribution	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%		0.00%	0.00%	100.00%
30															
31															
32	963	IT - Telecomm	43.53%	26.90%	4.75%	0.00%	0.00%	24.82%	0.00%	75.18%	100.00%		26.90%	4.75%	43.53%
33	964	IT - Desktops	43.72%	26.79%	5.00%	0.00%	0.00%	24.49%	0.00%	75.51%	100.00%		26.79%	5.00%	43.72%
34	968	IT - Infrastructure	43.72%	26.79%	5.00%	0.00%	0.00%	24.49%	0.00%	75.51%	100.00%		26.79%	5.00%	43.72%
35	973	Building - Texas Lewisville	30.34%	24.11%	4.67%	0.00%	0.00%	40.88%	0.00%	59.12%	100.00%		24.11%	4.67%	30.34%
36	974	Dallas Building - Las Colinas	43.72%	26.79%	5.00%	0.00%	0.00%	24.49%	0.00%	75.51%	100.00%		26.79%	5.00%	43.72%
37	977	Abq Downtown Buildings -- Annex	44.36%	27.49%	6.24%	0.00%	0.00%	21.91%	0.00%	78.09%	100.00%		27.49%	6.24%	44.36%
38	980	Abq Aztec Building	21.93%	70.97%	5.80%	0.00%	0.00%	1.30%	0.00%	98.70%	100.00%		70.97%	5.80%	21.93%
39															
40															
41	992	General Allocator (BUDGET)	32.96%	36.18%	7.82%	0.00%	0.00%	23.04%	0.00%	76.96%	100.00%		36.18%	7.82%	32.96%
42	993	Employee Headcount (PNMR)	45.21%	25.95%	4.20%	0.00%	0.00%	24.64%	0.00%	75.36%	100.00%		25.95%	4.20%	45.21%
43	995	Employee Headcount	45.21%	25.95%	4.20%	0.00%	0.00%	24.64%	0.00%	75.36%	100.00%		25.95%	4.20%	45.21%
44	999	Direct PNMR Holding Co.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	100.00%		0.00%	0.00%	0.00%

	A	B	C	D	E	F	G	H
1	PNM Exhibit HEM-4							
2	WP SS-7: Base Period Revenue Allocation							
3	Note - Base Period data is historical information from the Company's Books and Records.							
4	Hyperlink to Lead Sheet							
5								
6	Location	Adjustment - Remove Rent Revenue	Base Period WP SS-2, Column F	001 - Distribution Column C* 2016 CAM rates	003 - Production Column C * 2016 CAM rates	002 - Transmission Column C * 2016 CAM rates	Total Rent Revenue Allocated to PNM Sum Column D through F	Reference
7	977	Total Location 977 - CT 472: Leases	(151,173)	(70,129)	(38,579)	(9,690)	(118,399)	WP SS-4, Column C, line 42
8								
9								

	A	B	C	D	E	F	G	H
1	PNM Exhibit HEM-4							
2	WP SS-8: Base, Linkage and Test Period Payroll Tax Allocation							
3	Note - Base Period data is historical information from the Company's Books and Records.							
4	General Note: The electronic version of this worksheet uses the Microsoft excel outline							
5	function. This function groups the elements of cost, and or columns for print formatting							
6	purposes.							
7	Hyperlink to Lead Sheet							
8								
9	Unadjusted Base Period							
10	Location	Elements of Cost	Reclass Payroll Tax WP SS-2, Column G	001 - Distribution Column C* 2016 CAM rates	003 - Production Column C* 2016 CAM rates	002 - Transmission Column C* 2016 CAM rates	Total PNM Allocated Payroll Tax Sum Column D through F	Reference
41	911	Total Location 911	(554)	(213)	(119)	(42)	(374)	
82	941	Total Location 941	84,606	29,857	28,597	6,684	65,138	
111	942	Total Location 942	180,975	180,975	-	-	180,975	
132	946	Total Location 946	186,029	-	186,029	-	186,029	
153	947	Total Location 947	55,081	-	-	55,081	55,081	
188	951	Total Location 951	(17,500)	(8,078)	(7,646)	(1,776)	(17,500)	
200	952	Total Location 952	916	-	-	916	916	
228	953	Total Location 953	151,856	-	-	-	-	
239	954	Total Location 954	17,817	17,817	-	-	17,817	
275	993	Total Location 993	2,629,867	1,198,956	689,551	97,568	1,986,075	
299	999	Total Location 999	46	-	-	-	-	
300	Grand Total		3,289,138	1,419,315	896,413	158,430	2,474,158	
301								
302						Total Unadjusted Base Period PNM Allocation		
303						Production	896,413	WP SS-4, Column C
304						Transmission	158,430	WP SS-4, Column C
305						Distribution	1,419,315	WP SS-4, Column C
306								
307	Adjusted Base Period							
308								
309	Location	Adjusted Base Period Payroll Tax - LA-9, Column H + LA-10, Column B, WP SS-11, Column B	001 - Distribution Column B* 2016 CAM rates	003 - Production Column C* 2018 CAM rates	002 - Transmission Column C* 2018 CAM rates	Total PNM Adjusted Payroll Tax Sum Column C through E		
310	911	313,949	120,745	67,248	23,923	211,915		
311	912	32,006	11,509	6,174	3,665	21,348		
312	914	31,034	17,910	2,771	3,783	24,464		
313	924	104,374	104,374	-	-	104,374		
314	941	1,016,935	358,877	343,724	80,338	782,939		
315	942	246,908	246,908	-	-	246,908		
316	946	254,453	-	254,453	-	254,453		
317	947	52,706	-	-	52,706	52,706		
318	948	121,747	97,531	-	24,215	121,747		
319	951	244,426	112,827	106,790	24,809	244,426		
320	952	10,218	-	-	10,218	10,218		
321	953	215,364	-	-	-	-		
322	954	17,549	17,549	-	-	17,549		
323	963	30,652	13,156	8,555	1,474	23,185		
324	968	444,078	195,261	113,373	24,868	333,503		
325	974	2,579	1,134	658	144	1,936		
326	977	50,430	23,395	12,870	3,233	39,497		
327	980	6,588	1,324	4,872	327	6,523		
328	993	227,079	103,525	59,540	8,425	171,490		
329	999	12,965	-	-	-	-		
330	Grand Total	3,436,040	1,426,025	981,028	262,128	2,669,181		
331								
332						Total Adjusted Base Period PNM Allocation	Base Period Adjustment	
333						Production	981,028	WP SS-4, Column C
334						Transmission	262,128	WP SS-4, Column C
335						Distribution	1,426,025	WP SS-4, Column C
336								

	A	B	C	D	E	F	G	H
1	PNM Exhibit HEM-4							
2	WP SS-8: Base, Linkage and Test Period Payroll Tax Allocation							
3	Note - Base Period data is historical information from the Company's Books and Records.							
4	General Note: The electronic version of this worksheet uses the Microsoft excel outline							
5	function. This function groups the elements of cost, and or columns for print formatting							
6	purposes.							
7	Hyperlink to Lead Sheet							
337	Linkage 1 - July 2016 through June 2017							
338								
		Linkage 1 Period Payroll Tax - LA-9, Column AO + LA-10, Column AJ, WP SS-11, Column C	001 - Distribution Column B* 2018 CAM rates	003 - Production Column C * 2018 CAM rates	002 - Transmission Column C * 2018 CAM rates	Total PNM Adjusted Payroll Tax Sum Column C through E		
339	Location							
340	911	285,353	101,671	66,887	19,604	188,162		
341	912	29,090	10,196	5,571	3,270	19,037		
342	914	28,207	16,307	2,685	3,447	22,439		
343	924	94,867	94,867	-	-	94,867		
344	941	900,044	296,654	325,636	70,383	692,674		
345	942	168,470	168,470	-	-	168,470		
346	946	175,822	-	175,822	-	175,822		
347	947	37,514	-	-	37,514	37,514		
348	948	110,658	87,320	-	23,338	110,658		
349	951	222,163	96,019	103,839	22,305	222,163		
350	952	9,287	-	-	9,287	9,287		
351	953	157,924	-	-	-	-		
352	954	8,775	8,775	-	-	8,775		
353	963	27,860	12,127	7,494	1,323	20,945		
354	968	403,630	176,467	108,132	20,182	304,781		
355	974	2,344	1,025	628	117	1,770		
356	977	45,837	20,333	12,601	2,860	35,794		
357	980	5,988	1,313	4,250	347	5,910		
358	993	206,396	93,312	53,560	8,669	155,540		
359	999	11,784	-	-	-	-		
360	Grand Total	2,932,012	1,184,856	867,104	222,646	2,274,606		
361								
362					Total Linkage 1 PNM Allocation			
363					Production	867,104		
364					Transmission	222,646		
365					Distribution	1,184,856		
366								
367								
368	Linkage 2 - January 2017 through December 2017							
369								
		Linkage 2 Period Payroll Tax - LA-9, Column AP + LA-10, Column AJ, WP SS-11, Column D	001 - Distribution Column B* 2018 rates	003 - Production Column C * 2018 rates	002 - Transmission Column C * 2018 rates	Total PNM Adjusted Payroll Tax Sum Column C through E		
370	Location							
371	911	258,342	92,047	60,555	17,748	170,351		
372	912	26,337	9,231	5,043	2,960	17,235		
373	914	25,537	14,763	2,431	3,121	20,315		
374	924	85,887	85,887	-	-	85,887		
375	941	794,888	261,995	287,591	62,160	611,746		
376	942	152,487	152,487	-	-	152,487		
377	946	159,144	-	159,144	-	159,144		
378	947	33,956	-	-	33,956	33,956		
379	948	100,183	79,054	-	21,129	100,183		
380	951	201,134	86,930	94,010	20,194	201,134		
381	952	8,408	-	-	8,408	8,408		
382	953	142,951	-	-	-	-		
383	954	7,939	7,939	-	-	7,939		
384	963	25,223	10,979	6,785	1,198	18,962		
385	968	365,424	159,763	97,897	18,271	275,931		
386	974	2,122	928	568	106	1,602		
387	977	41,498	18,409	11,408	2,589	32,406		
388	980	5,421	1,189	3,847	314	5,351		
389	993	186,859	84,479	48,490	7,848	140,817		
390	999	10,669	-	-	-	-		
391	Grand Total	2,634,409	1,066,082	777,770	200,003	2,043,854		
392								
393					Total Linkage 2 PNM Allocation			
394					Production	777,770		
395					Transmission	200,003		
396					Distribution	1,066,082		

	A	B	C	D	E	F	G	H
1	PNM Exhibit HEM-4							
2	WP SS-8: Base, Linkage and Test Period Payroll Tax Allocation							
3	Note - Base Period data is historical information from the Company's Books and Records.							
4	General Note: The electronic version of this worksheet uses the Microsoft excel outline							
5	function. This function groups the elements of cost, and or columns for print formatting							
6	purposes.							
7	Hyperlink to Lead Sheet							
397								
398	Test Period							
399								
			001 - Distribution	003 - Production	002 - Transmission	Total PNM Adjusted Payroll Tax		
	Location	Test Period Payroll Tax - LA-9, Column AQ + LA-10, Column AK	Column B * 2018 rates	Column C * 2018 rates	Column C * 2018 rates	Sum Column C through E		
400								
401	911	265,776	94,696	62,298	18,259	175,253		
402	912	27,095	9,497	5,189	3,045	17,731		
403	914	26,272	15,188	2,501	3,210	20,899		
404	924	88,359	88,359	-	-	88,359		
405	941	817,760	269,534	295,865	63,949	629,348		
406	942	219,668	219,668	-	-	219,668		
407	946	225,961	-	225,961	-	225,961		
408	947	46,596	-	-	46,596	46,596		
409	948	103,066	81,329	-	21,737	103,066		
410	951	206,921	89,431	96,715	20,775	206,921		
411	952	8,650	-	-	8,650	8,650		
412	953	189,515	-	-	-	-		
413	954	16,222	16,222	-	-	16,222		
414	963	25,948	11,295	6,980	1,233	19,508		
415	968	375,938	164,360	100,714	18,797	283,871		
416	974	2,183	954	585	109	1,648		
417	977	42,692	18,938	11,736	2,664	33,338		
418	980	5,577	1,223	3,958	323	5,505		
419	993	192,236	86,910	49,885	8,074	144,869		
420	999	10,976	-	-	-	-		
421		2,897,409	1,167,603	862,386	217,421	2,247,411		
422								
423								
424					Total Test Period PNM Allocation			
425					Production	862,386		
426					Transmission	217,421		
427					Distribution	1,167,603		

	A	B	C	D	E	F	G	H
1	PNM Exhibit HEM-4							
2	WP SS-9: Base Period Property Tax Allocation							
3	Note - Base Period data is historical information from the Company's Books and Records.							
4	Hyperlink to Lead Sheet							
5								
6	Location	Elements of Cost	Reclass Property Tax WP SS-2, Column H	001 - Distribution Column C * 2016 CAM rates	003 - Production Column C * 2016 CAM rates	002 - Transmission Column C * 2016 CAM rates	Total PNM Allocated Property Tax Sum Column D through F	Reference
47	941	Total Location 941	698,385	246,460	236,054	55,172	537,686	
76	942	Total Location 942	3	3	-	-	3	
89	974	Total Location 974	(6,575)	(2,891)	(1,678)	(368)	(4,937)	
116	977	Total Location 977	(62,251)	(28,878)	(15,886)	(3,990)	(48,755)	
140	999	Total Location 999	0	-	-	-	-	
141	Grand Total		629,562	214,694	218,489	50,814	483,997	
142								
143						Total PNM Allocation		
144						Production	218,489	WP SS-4, Column C, Line 33
145						Transmission	50,814	WP SS-4, Column C, Line 34
146						Distribution	214,694	WP SS-4, Column C, Line 35
147								
148	General Note: The electronic version of this worksheet uses the Microsoft							
149								
150								

	A	B	C	D	E	F	G	H
1	PNM Exhibit HEM-4							
2	WP SS-10: Incentive Compensation							
3	Note - Base Period data is historical information from the Company's Books and Records.							
4	Hyperlink to Lead Sheet							
5	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.							
6								
7	Plan Description		Base Period					
8			Officers	Non-Officers	Workforce	Union	Total	
16	Total AIP/OIP		2,437,625	4,742,941	-	-	7,180,566	
24	Total LTIP		1,506,342	-	-	-	1,506,342	
33	Total Group Incentive		-	-	1,157,992	(209,545)	948,447	
45	Total Restricted Stock Awards and Other		1,431,936	3,480,389	-	-	4,912,325	
46								
47	Total Base Period Incentive Compensation		5,375,903	8,223,331	1,157,992	(209,545)	14,547,681	
48								
49			Adjustments to Base Period					
50			Officers	Non-Officers	Workforce	Union	Total	
58	Total AIP/OIP		(2,437,625)	(4,742,941)	-	-	(7,180,566)	
66	Total LTIP		(1,506,342)	-	-	-	(1,506,342)	
75	Total Group Incentive		-	-	1,409,008	209,545	1,618,553	
87	Total Restricted Stock Awards and Other		(1,431,936)	(3,480,389)	-	-	(4,912,325)	
88								
89	Total Adjustments to the Base Period Incentive Compensation		(5,375,903)	(8,223,331)	1,409,008	209,545	(11,980,681)	
90								
91								
92			Adjusted Base Period					
93			Officers	Non-Officers	Workforce	Union	Total	
101	Total AIP/OIP		-	-	-	-	-	
109	Total LTIP		-	-	-	-	-	
118	Total Group Incentive		-	-	2,567,000	-	2,567,000	
130	Total Restricted Stock Awards and Other		-	-	-	-	-	
131								
132	Total Adjusted Base Period Incentive Compensation		-	-	2,567,000	-	2,567,000	
133								
134								
135			Linkage Period: 07-01-2016 through 06-30-2017					
136			Officers	Non-Officers	Workforce	Union	Total	
144	Total AIP/OIP		-	-	-	-	-	
152	Total LTIP		-	-	-	-	-	
161	Total Group Incentive		-	-	2,599,088	-	2,599,088	
173	Total Restricted Stock Awards and Other		-	-	-	-	-	
174								
175	Total Linkage Period Incentive Compensation		-	-	2,599,088	-	2,599,088	
176								
177								
178			Linkage Period: 01-01-2017 through 12-31-2017					
179			Officers	Non-Officers	Workforce	Union	Total	
187	Total AIP/OIP		-	-	-	-	-	
195	Total LTIP		-	-	-	-	-	
204	Total Group Incentive		-	-	2,631,175	-	2,631,175	
216	Total Restricted Stock Awards and Other		-	-	-	-	-	
217								
218	Total Linkage Period Incentive Compensation		-	-	2,631,175	-	2,631,175	

	A	B	C	D	E	F	G	H
1	PNM Exhibit HEM-4							
2	WP SS-10: Incentive Compensation							
3	Note - Base Period data is historical information from the Company's Books and Records.							
4	Hyperlink to Lead Sheet							
5	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.							
6								
219								
220								
221								
222	Test Period							
230	Total AIP/OIP		Officers	Non-Officers	Workforce	Union	Total	
238	Total LTIP		-	-	-	-	-	
247	Total Group Incentive		-	-	5,310,484	-	5,310,484	
259	Total Restricted Stock Awards and Other		-	-	-	-	-	
260								
261	Total Adjusted Base Period Incentive Compensation		-	-	5,310,484	-	5,310,484	
262								
263	Summary of total Incentive Compensation by location		Base Period	Base Period Adjustments	Adjusted Base Period	Linkage Period 1	Linkage Period 2	Test Period
264								
265	Location 911	140 - Misc Pay Pension Eligible	(480,000)	480,000	-	-	-	-
266	Location 911	600 - Incentive Compensation	1,347,917	(1,347,917)	-	-	-	-
267	Location 941	140 - Misc Pay Pension Eligible	537,019	(537,019)	-	-	-	-
268	Location 941	600 - Incentive Compensation	27,000	(27,000)	-	-	-	-
269	Location 942	600 - Incentive Compensation	4,296,744	(3,435,680)	861,064	871,827	882,591	1,781,327
270	Location 946	600 - Incentive Compensation	4,125,963	(3,272,512)	853,450	864,119	874,787	1,765,577
271	Location 947	600 - Incentive Compensation	1,219,325	(1,059,401)	159,924	161,923	163,922	330,843
272	Location 951	140 - Misc Pay Pension Eligible	55,038	(55,038)	-	-	-	-
273	Location 951	600 - Incentive Compensation	(264,583)	264,583	-	-	-	-
274	Location 952	600 - Incentive Compensation	9,366	(9,366)	-	-	-	-
275	Location 953	600 - Incentive Compensation	3,457,004	(2,874,885)	582,119	589,395	596,672	1,204,259
276	Location 954	600 - Incentive Compensation	216,888	(106,445)	110,443	111,823	113,204	228,479
277			14,547,681	(11,980,681)	2,567,000	2,599,088	2,631,175	5,310,484
278								
279	General Note: The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the							
280	elements of cost, and or columns for print formatting purposes.							
281								
282	Note: Please refer to the testimony of PNM Witness Monfiletto for discussion on incentive compensation.							

	A	B	C	D	E	F	G	H
1	PNM Exhibit HEM-4							
2	WP SS-11: Incentive Compensation: Linkage and Test Period Calculations							
3	Note - Base Period data is historical information from the Company's Books and Records.							
4	Note: Please refer to the testimony of PNM Witness Monfiletto for discussion on incentive compensation.							
5	Hyperlink to Lead Sheet							
6				Column E less Column B	Column A, Row 16 * Column C			Note 2
7	Location	Base Period	Base Period Allocation	Base Period Adjustment	Normalize BUGI	Linkage 1 Jul -2016 through Jun 2016	Linkage 2 Jan 2017 through Dec 2017	Test Period
8					Note 1	Note 2	Note 2	Cell A17 * Column C
9	942	388,432	33.54%	472,632	861,064	871,827	882,591	1,781,327
10	946	384,998	33.25%	468,453	853,450	864,119	874,787	1,765,577
11	947	72,143	6.23%	87,781	159,924	161,923	163,922	330,843
12	953	262,598	22.68%	319,521	582,119	589,395	596,672	1,204,259
13	954	49,822	4.30%	60,621	110,443	111,823	113,204	228,479
14		1,157,992	100.00%	1,409,008	2,567,000	2,599,088	2,631,175	5,310,484
15								
16	\$2,567,000	Approved Final Order in Case No. 15-00261-UT						
17	\$5,310,484	Refer to the testimony of PNM Witness Monfiletto						
18								
19								
20	Payroll Taxes for Linkage and Test Periods							
21								
22	Location	Adjusted Base Period	Linkage 1 Jul - 2016 through Jun 2016	Linkage 2 Jan 2017 through Dec 2017	Test Period			
23								
24	942	68,412	68,412	61,900	126,474			
25	946	67,807	67,807	61,352	125,356			
26	947	12,706	12,706	11,497	23,490			
27	953	46,249	46,249	41,847	85,502			
28	954	8,775	8,775	7,939	16,222			
29		203,948	203,948	184,535	377,044			
30								
31	Note 1: PNM normalized Business Unit Group Incentive ("BUGI") to align the Base Period with what was approved in							
32	the Final Order in Case No. 15-00261-UT.							
33								
34	Note 2: Linkage Period 1 and 2 were calculated with a 2.5% escalation from the adjusted base period. Please refer to the testimony of PNM Witness Monfiletto.							

	A	B
1	PNM Exhibit HEM-4	
2	WP SS-12: Summary of Dues, Subscriptions, and Membership Fees	
3	Note - Base Period data is historical information from the Company's Books and Records.	
4	Hyperlink to Lead Sheet	
5		
6	PNMR Services (Unallocated)	
7	Dues, Subscriptions, and Membership Fees Description	Amount
8	Electric Power Research Institute (EPRI) Membership Dues	766,320
9	Edison Electric Institute (EEI) Membership Dues	426,649
10	New Mexico Utility Shareholders Alliance	78,700
11	Albuquerque Hispanic Chamber of Commerce Membership	20,000
12	EEI - Utility Solid Waste Activities Group (USWAG) Membership Du	18,000
13	Western Energy Supply & Technology Membership Dues	17,029
14	Patient-Centered Outcomes Research Institute (PCORI) Subscriptio	11,053
15	Santa Fe Chamber of Commerce Membership Dues	8,452
16	New Mexico State University	6,000
17	Las Vegas San Miguel Chamber of Commerce	5,000
18	New Mexico Idea	5,000
19	Center for Energy Workforce Development	3,500
20	Economic Forum Membership Dues	2,600
21	EEI - Avian Power Line Interaction Committee (APLIC) Dues	2,500
22	New Mexico State Society dues	2,500
23	Smart Grid Consumer Collaborative Membership Dues	2,500
24	Institute of Internal Auditor Membership Dues	1,710
25	Ruidoso Valley Chamber of Commerce Membership Dues	1,500
26	NAIOP Membership Dues	1,395
27	Membership Dues <\$1,000	16,000
28	Total Excluded PNMR Services Dues, Subscriptions & Membership Fees	1,396,407
29		
30	Professional Certifications	19,446
31		
32	Total PNMR Services Dues, Subscriptions & Membership Fees	\$ 1,415,853
33		
34		
35	Summary of Excluded Dues, Subscription & Membership Fees by Location	Amount
36	911	6,934
39	941	1,320,900
42	942	2,500
44	946	190
46	951	44,297
49	968	2,034
51	993	16,660
54	999	2,893
56	Total	\$ 1,396,407
57		
58	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	I
1	PNM Exhibit HEM-4								
2	WP SS-13: Linkage Period 1: 07-01-2016 through 06-30-2017								
3	Note - Base Period data is historical information from the								
4	Company's Books and Records								
5	Hyperlink to Lead Sheet								
6			Linkage Period 07-01-2016 through 6-30-2017						
7			WP-SS 3, Column I	WP LA 8, Column I	WP SS-10, Column F	WP OM-6, Column I	WP OM-22 Column E	WP OM-20 Column H, lines 40 and 41	Sum Column D through Column H
8	Location	Elements of Cost	Adjusted Base Period Shared Services	Shared Services Labor Base Period Adjustment	Shared Services Incentive Compensation	Shared Services Active Medical and Dental	Pension and Benefits Impact for Headcount Reductions	Shared Services Property Insurance	Total Linkage Period for Specifically Adjusted Items
40	911	Total Location 911	3,204,090	3,607,944	-	-	-	-	3,607,944
54	912	Total Location 912	13,432	369,730	-	-	-	-	369,730
68	914	Total Location 914	8,377	355,266	-	-	-	-	355,266
91	924	Total Location 924	508,037	1,151,119	-	-	-	-	1,151,119
133	941	Total Location 941	6,570,762	11,338,016	-	-	-	133,331	11,471,347
163	942	Total Location 942	2,623,680	1,265,142	871,827	-	-	-	2,136,969
185	946	Total Location 946	790,054	1,358,525	864,119	-	-	-	2,222,643
207	947	Total Location 947	1,049,885	314,322	161,923	-	-	-	476,246
230	948	Total Location 948	239,553	1,392,017	-	-	-	-	1,392,017
266	951	Total Location 951	1,701,437	2,800,156	-	-	-	-	2,800,156
278	952	Total Location 952	7,395	116,972	-	-	-	-	116,972
307	953	Total Location 953	3,819,768	1,406,782	589,395	-	-	-	1,996,177
318	954	Total Location 954	150,402	-	111,823	-	-	-	111,823
337	963	Total Location 963	1,269,416	350,888	-	-	-	-	350,888
340	964	Total Location 964	-	-	-	-	-	-	-
368	968	Total Location 968	10,136,193	5,073,549	-	-	-	-	5,073,549
382	974	Total Location 974	176,584	29,518	-	-	-	-	29,518
410	977	Total Location 977	1,462,187	577,147	-	-	-	-	577,147
425	980	Total Location 980	573,355	77,343	-	-	-	-	77,343
427	992	Total Location 992	(10)	-	-	-	-	-	-
464	993	Total Location 993	9,068,018	2,607,048	-	3,829,384	(100,720)	50	6,335,763
488	999	Total Location 999	655,864	43,387	-	-	-	-	43,387
489	Grand Total		44,028,479	34,234,872	2,599,088	3,829,384	(100,720)	133,382	40,696,006
490			-	-					
491									
492			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.						
493									
494									
495									

	A	B	J	K	L	M	N
1	PNM Exhibit HEM-4						
2	WP SS-13: Linkage Period 1: 07-01-2016 through 06-30-2017						
3	Note - Base Period data is historical information from the						
4	Company's Books and Records						
5	Hyperlink to Lead Sheet						
6			Shared Services Linkage Period Allocation				
7			Column C + Column I	Column J * 2018 CAM rates	Column J * 2018 CAM rates	Column J * 2018 CAM rates	Sum Column K through M
8	Location	Elements of Cost	Total Linkage Period	001 - Distribution	003 - Production	002 - Transmission	Total PNM Shared Services Allocation - Linkage Period 1
40	911	Total Location 911	6,812,034	2,427,128	1,596,741	467,987	4,491,855
54	912	Total Location 912	383,162	134,298	73,376	43,067	250,741
68	914	Total Location 914	363,644	210,222	34,619	44,437	289,278
91	924	Total Location 924	1,659,156	1,659,156	-	-	1,659,156
133	941	Total Location 941	18,042,110	5,946,679	6,527,635	1,410,893	13,885,208
163	942	Total Location 942	4,760,649	4,760,649	-	-	4,760,649
185	946	Total Location 946	3,012,697	-	3,012,697	-	3,012,697
207	947	Total Location 947	1,526,130	-	-	1,526,130	1,526,130
230	948	Total Location 948	1,631,571	1,287,472	-	344,098	1,631,571
266	951	Total Location 951	4,501,594	1,945,589	2,104,045	451,960	4,501,594
278	952	Total Location 952	124,367	-	-	124,367	124,367
307	953	Total Location 953	5,815,944	-	-	-	-
318	954	Total Location 954	262,225	262,225	-	-	262,225
337	963	Total Location 963	1,620,304	705,318	435,862	76,964	1,218,145
340	964	Total Location 964	-	-	-	-	-
368	968	Total Location 968	15,209,742	6,649,699	4,074,690	760,487	11,484,876
382	974	Total Location 974	206,102	90,108	55,215	10,305	155,627
410	977	Total Location 977	2,039,334	904,649	560,613	127,254	1,592,516
425	980	Total Location 980	650,698	142,698	461,801	37,741	642,239
427	992	Total Location 992	(10)	(3)	(3)	(1)	(7)
464	993	Total Location 993	15,403,781	6,964,049	3,997,281	646,959	11,608,289
488	999	Total Location 999	699,251	-	-	-	-
489	Grand Total		84,724,485	34,089,937	22,934,570	6,072,650	63,097,156
490							
491						Production	22,934,570
492						Transmission	6,072,650
493						Distribution	34,089,937
494							
495							

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit HEM-4								
2	WP SS-14: Linkage Period 2: 01-01-2017 through 12-31-2017								
3	Note - Base period data is historical information from the								
4	Company's Books and Records								
5	Hyperlink to Lead Sheet								
6			Linkage Period 01-01-2017 through 12-31-2017						
7			WP-SS 3, Column I	WP LA 8, Column J	WP SS 10, Column G	WP OM 6, Column J	WP OM-22 Column F	WP OM-20 Column I, lines 40 and 41	Sum Column D through Column H
8	Location	Elements of Cost	Adjusted Base Period Shared Services	Shared Services Labor Base Period Adjustment	Shared Services Incentive Compensation	Shared Services Active Medical and Dental	Pension and Benefits Impact for Headcount Reductions	Shared Services Property Insurance	Total Linkage Period for Specifically Adjusted Items
40	911	Total Location 911	3,204,090	3,652,764	-	-	-	-	3,652,764
54	912	Total Location 912	13,432	374,322	-	-	-	-	374,322
68	914	Total Location 914	8,377	359,680	-	-	-	-	359,680
91	924	Total Location 924	508,037	1,165,418	-	-	-	-	1,165,418
133	941	Total Location 941	6,570,762	11,234,330	-	-	-	65,967	11,300,297
163	942	Total Location 942	2,623,680	1,280,858	882,591	-	-	-	2,163,448
185	946	Total Location 946	790,054	1,375,401	874,787	-	-	-	2,250,188
207	947	Total Location 947	1,049,885	318,227	163,922	-	-	-	482,149
230	948	Total Location 948	239,553	1,409,309	-	-	-	-	1,409,309
266	951	Total Location 951	1,701,437	2,834,941	-	-	-	-	2,834,941
278	952	Total Location 952	7,395	118,425	-	-	-	-	118,425
307	953	Total Location 953	3,819,768	1,424,257	596,672	-	-	-	2,020,929
318	954	Total Location 954	150,402	-	113,204	-	-	-	113,204
337	963	Total Location 963	1,269,416	355,247	-	-	-	-	355,247
340	964	Total Location 964	-	-	-	-	-	-	-
368	968	Total Location 968	10,136,193	5,136,574	-	-	-	-	5,136,574
382	974	Total Location 974	176,584	29,885	-	-	-	-	29,885
410	977	Total Location 977	1,462,187	584,316	-	-	-	-	584,316
425	980	Total Location 980	573,355	78,304	-	-	-	-	78,304
427	992	Total Location 992	(10)	-	-	-	-	-	-
464	993	Total Location 993	9,068,018	2,639,434	-	3,923,951	(203,926)	25	6,359,483
488	999	Total Location 999	655,864	43,926	-	-	-	-	43,926
489	Grand Total		44,028,479	34,415,619	2,631,175	3,923,951	(203,926)	65,992	40,832,811
490			-	-					
491									
492									
493			General Note: The electronic version of this worksheet uses the Microsoft excel outline function. This function groups the elements of						
494			cost, and or columns for print formatting purposes.						

	A	B	J	K	L	M	N
1	PNM Exhibit HEM-4						
2	WP SS-14: Linkage Period 2: 01-01-2017 through 12-31-2017						
3	Note - Base period data is historical information from the						
4	Company's Books and Records						
5	Hyperlink to Lead Sheet						
6			Shared Services Linkage Period Allocation				
7			Column C + Column I	Column J * 2018 CAM rates	Column J * 2018 CAM rates	Column J * 2018 CAM rates	Sum Column K through M
8	Location	Elements of Cost	Total Linkage Period	001 - Distribution	003 - Production	002 - Transmission	Total PNM Shared Services Allocation - Linkage Period 2
40	911	Total Location 911	6,856,853	2,443,097	1,607,246	471,066	4,521,409
54	912	Total Location 912	387,755	135,908	74,255	43,584	253,747
68	914	Total Location 914	368,057	212,774	35,039	44,977	292,789
91	924	Total Location 924	1,673,456	1,673,456	-	-	1,673,456
133	941	Total Location 941	17,871,059	5,890,301	6,465,749	1,397,517	13,753,567
163	942	Total Location 942	4,787,128	4,787,128	-	-	4,787,128
185	946	Total Location 946	3,040,241	-	3,040,241	-	3,040,241
207	947	Total Location 947	1,532,034	-	-	1,532,034	1,532,034
230	948	Total Location 948	1,648,863	1,301,118	-	347,745	1,648,863
266	951	Total Location 951	4,536,378	1,960,623	2,120,303	455,452	4,536,378
278	952	Total Location 952	125,820	-	-	125,820	125,820
307	953	Total Location 953	5,840,697	-	-	-	-
318	954	Total Location 954	263,606	263,606	-	-	263,606
337	963	Total Location 963	1,624,663	707,216	437,034	77,171	1,221,422
340	964	Total Location 964	-	-	-	-	-
368	968	Total Location 968	15,272,767	6,677,254	4,091,574	763,638	11,532,466
382	974	Total Location 974	206,468	90,268	55,313	10,323	155,904
410	977	Total Location 977	2,046,503	907,829	562,584	127,702	1,598,115
425	980	Total Location 980	651,659	142,909	462,482	37,796	643,187
427	992	Total Location 992	(10)	(3)	(3)	(1)	(7)
464	993	Total Location 993	15,427,501	6,974,773	4,003,437	647,955	11,626,165
488	999	Total Location 999	699,790	-	-	-	-
489	Grand Total		84,861,290	34,168,255	22,955,255	6,082,780	63,206,290
490							
491						Production	22,955,255
492						Transmission	6,082,780
493						Distribution	34,168,255
494							

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP GT

Is contained in the following 19 pages

	A	B	C	D	E
1	PNM Exhibit HEM - 4				
2	WP GT - Lead Sheet				
3				<i>Provides Information To</i>	<i>Requires Information From</i>
4	<i>Tab Reference</i>	<i>Description</i>	<i>Purpose</i>	<i>Tab name</i>	<i>Tab name</i>
5	<u>WP GT-1</u>	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.	PNM Exhibit HEM-3 - WP COS.xlsx; COS Base Adj, COS Test	WP GT-2, WP GT-4, WP GT-6
6	<u>WP GT-2</u>	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	<u>WP GT-3</u>	Property Tax Rates	Calculates the weighted property tax rates for cost of service plant line items, based on historic rates.	WP GT-2	WP Plant Net Plant Workbook.xlsx: WP Plant - 1, Manual Inputs
8	<u>WP GT-4</u>	Payroll Taxes	Provides Payroll taxes functionalized to production, distribution, and transmission for Base period and Test Period.	WP GT-1	GT - 5 PNM Payroll Tax WP SS-Shared Services.xlsx; SS-8 Payroll Tax Manual Inputs
9	<u>WP GT-5</u>	PNM Payroll Tax	Provides Payroll taxes functionalized to production, distribution, and transmission for Base Period and Test Period.	WP GT-4	Manual Inputs
10	<u>WP GT-6</u>	Other Taxes	Provides the support for Base Period Misc Taxes and calculation of Test Period misc property taxes.	WP GT-1	Manual Inputs
11	<u>WP GT-7</u>	Property Tax Reclass	Calculates property tax reclassified from lease expense to property tax expense. This reclass is associated with Palo Verde unit 2 leases (29.8MW of First Chicago and 64.1MW of PV2 purchased leases) that are shown as ownership as of 1/1/2016.	WP GT-2, WP OM-3	Manual Inputs
12					
13					
14	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												
					Base Period Adjustments Note 3		Linkage 1	Linkage 2	WP GT-2, Column U	Test Period to Base Period Variance	Test Period to Base Period Variance %	
5		General Taxes		Base Period		Adj Base Period	7/1/16 - 6/30/17	1/1/17 - 12/31/17	Test Period			Explanation
6		<u>Property Taxes</u>										
7		<u>Production Property Taxes</u>										
8		Steam Production Plant		5,928,025	-	5,928,025	6,006,263	6,084,501	4,541,627	(1,386,397)	(23.4%)	Note 1
9		San Juan Unit 4 65 M/W		-	-	-	-	-	2,336	2,336	100.0%	Note 1
10		Nuclear Production Plant - Palo Verde 1 & 2		1,730,272	518,292	2,248,564	2,438,693	2,628,823	2,696,758	448,194	19.9%	Note 1
11		Nuclear Production Plant - Palo Verde 3		967,170	-	967,170	993,457	1,019,743	1,022,367	55,197	5.7%	Note 1
12		Other Production Plant - Gas & 40 MW Solar		4,058,780	-	4,058,780	4,176,181	4,293,582	4,207,044	148,264	3.7%	Note 1
13		Other Production Plant - Renewable		1,666,700	-	1,666,700	1,696,777	1,726,855	1,668,778	2,078	0.1%	N/A
14		Total Production Property Taxes		14,350,947	518,292	14,869,239	15,311,371	15,753,504	14,138,911	(730,328)	(4.9%)	
15												
16		<u>Transmission Property Taxes</u>										
17		Step-Up Transformers - Excluding PV3		64,848	-	64,848	68,027	71,205	66,370	1,521	2.3%	N/A
18		Step-Up Transformers - PV3		1,581	-	1,581	1,542	1,504	1,410	(170)	(10.8%)	N/A
19		Transmission System Plant - Allocated		4,130,055	-	4,130,055	4,691,699	5,253,343	6,052,543	1,922,487	46.5%	Note 1
20		Transmission System Plant - PV 3		33,557	-	33,557	33,218	32,879	31,537	(2,020)	(6.0%)	N/A
21		Transmission System Plant - High Lonesome Mesa		235,162	-	235,162	232,536	229,911	223,567	(11,595)	(4.9%)	N/A
22		Transmission System Plant - Dedicated Retail		38,823	-	38,823	38,986	39,149	35,432	(3,391)	(8.7%)	N/A
23		Transmission System Plant - Dedicated FERC		1,914	-	1,914	957	-	-	(1,914)	(100.0%)	N/A
24		Total Transmission Property Taxes		4,505,940	-	4,505,940	5,066,965	5,627,991	6,410,858	1,904,919	42.3%	
25												
26		<u>Distribution Property Taxes</u>										
27		Distribution Substations Net Plant - Dedicated FERC		-	-	-	-	-	-	-	N/A	N/A
28		Distribution Substations Net Plant - PNM		1,401,493	-	1,401,493	1,491,524	1,581,555	1,655,772	254,279	18.1%	Note 1
29		Distribution Substations Net Plant - Renewables		16,889	-	16,889	16,029	15,168	11,949	(4,940)	(29.3%)	Note 1
30		Primary Distribution System Net Plant - PNM		3,365,598	-	3,365,598	3,592,510	3,819,422	4,022,110	656,511	19.5%	Note 1
31		Primary Distribution System Net Plant - Renewables		25,629	-	25,629	26,311	26,993	26,305	676	2.6%	N/A
32		Secondary Distribution System Net Plant - PNM		1,998,448	-	1,998,448	2,110,915	2,223,382	2,279,899	281,451	14.1%	Note 1
33		Secondary Distribution System Net Plant - Renewables		8,304	-	8,304	8,561	8,818	8,603	298	3.6%	N/A
34		Services Net Plant - PNM		516,510	-	516,510	538,470	560,429	577,370	60,860	11.8%	N/A
35		Meters Net Plant - PNM		398,990	-	398,990	412,061	425,132	413,917	14,927	3.7%	N/A
36		Private Lighting - 371		5,508	-	5,508	4,645	3,781	1,354	(4,154)	(75.4%)	N/A
37		Street Lighting - 373		116,750	-	116,750	121,084	125,419	120,610	3,860	3.3%	N/A
38		Total Distribution Property Taxes		7,854,119	-	7,854,119	8,322,109	8,790,099	9,117,888	1,263,768	16.1%	
39												

	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 Note 3	Adj Base Period	Linkage 1 7/1/16 - 6/30/17	Linkage 2 1/1/17 - 12/31/17	WP GT-2, Column U Test Period	Test Period to Base Period Variance	Test Period to Base Period Variance %	Explanation
40		<u>General Property Taxes</u>										
41		Production General & Intangible Net Plant		39,839	-	39,839	44,266	48,692	52,518	12,678	31.8%	N/A
42		PV Unit 3 General & Intangible Net Plant		5,487	-	5,487	5,009	4,530	1,340	(4,147)	(75.6%)	N/A
43		Renewables General & Intangible Net Plant		192	-	192	280	367	342	150	78.2%	N/A
44		Bulk Power Operations		36,955	-	36,955	36,585	36,216	32,921	(4,033)	(10.9%)	N/A
45		Energy Management System Facilities		53,289	-	53,289	59,733	66,176	55,345	2,056	3.9%	N/A
46		Other Division Offices/Customer Service		381,932	-	381,932	405,533	429,134	486,405	104,474	27.4%	Note 1
47		Communications - Transmission		184,228	-	184,228	228,398	272,569	261,751	77,523	42.1%	N/A
48		Production Related (Shared Services)		-	218,489	218,489	250,522	282,555	377,511	159,022	72.8%	Note 1
49		Transmission Related (Shared Services)		-	50,814	50,814	57,039	63,264	79,567	28,753	56.6%	N/A
50		Distribution/Customer Related (Shared Services)		-	214,694	214,694	350,556	486,419	634,153	419,460	195.4%	Note 1
51		Total General Property Taxes		701,922	483,997	1,185,919	1,437,921	1,689,922	1,981,854	795,935	67.1%	
52												
53												
54		Total Property Taxes		27,412,928	1,002,289	28,415,217	30,138,366	31,861,516	31,649,511	3,234,294		
55												
56		<u>Payroll Taxes</u>										
57		Production Related		1,576,697	1,319,182	2,895,879	2,765,290	2,650,809	3,340,357	444,478	15.3%	Note 2
58		Transmission Related		133,427	563,797	697,224	699,496	671,717	705,030	7,805	1.1%	Note 2
59		Distribution Related		2,513,888	932,393	3,446,281	3,370,155	3,202,519	3,353,497	(92,784)	(2.7%)	Note 2
60		Total Payroll Taxes		4,224,012	2,815,373	7,039,385	6,834,942	6,525,045	7,398,884	359,500	5.1%	
61												
62		<u>Other Taxes</u>										
63		Misc Taxes - Production Related		(177,231)	181,282	4,052	4,052	4,052	4,112	61	1.5%	1.5% Annual Escalation for 1 Year
64		Misc Taxes - Renewable		163,082	-	163,082	163,082	163,082	165,528	2,446	1.5%	1.5% Annual Escalation for 1 Year
65		Misc Taxes - Transmission Related		142,561	(141,670)	891	891	891	904	13	1.5%	1.5% Annual Escalation for 1 Year
66		Misc Taxes - Distribution Related		26,045	(16,950)	9,095	9,095	9,095	9,231	136	1.5%	1.5% Annual Escalation for 1 Year
67		Regulatory Commission Fees (I&S) PNM		5,178,619	(5,178,619)	-	-	-	-	-	0.0%	
68		Joint Projects Four Corners		405,007	-	405,007	405,007	405,007	411,082	6,075	1.5%	1.5% Annual Escalation for 1 Year
69		Joint Projects PVNGS		1,964,290	-	1,964,290	1,964,290	1,964,290	1,993,754	29,464	1.5%	1.5% Annual Escalation for 1 Year
70		Joint Projects Transmission		-	-	-	-	-	-	-	N/A	
71		Native American Taxes - Production		1,554,300	-	1,554,300	1,554,300	1,554,300	1,577,615	23,314	1.5%	1.5% Annual Escalation for 1 Year
72		Native American Taxes - Transmission		890,883	-	890,883	890,883	890,883	904,247	13,363	1.5%	1.5% Annual Escalation for 1 Year
73		Native American Taxes - Distribution		150,175	-	150,175	150,175	150,175	152,427	2,253	1.5%	1.5% Annual Escalation for 1 Year
74		Total Other Taxes		10,297,732	(5,155,957)	5,141,775	5,141,775	5,141,775	5,218,901	77,127	1.5%	
75												
76		Total General Taxes		41,934,672	(1,338,296)	40,596,376	42,115,083	43,528,336	44,267,297	3,670,920	9.0%	

	A	B	C	D	E	F	G
1	PNM Exhibit HEM-4						
2	WP GT 1 - Notes						
3	Hyperlink back to Lead Sheet						
4							
5							
6	Note 1: Changes in property taxes are a result of changes in projected taxable valuation based on forecasted activity to plant in service. See PNM Exhibit HEM-4 WP Plant. In addition, changes are based on projected escalation to property tax rates. See PNM Exhibit HEM-4 WP GT - 3.						
7	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 labor costs.						
8	Note 3: Please refer to WP GT - 4 for base period adjustments for payroll taxes. Please refer to WP GT - 2 for base period adjustments for property taxes. Please refer to WP GT - 6 for base period adjustments for other taxes.						

	A	B	C	D	E	F	G	H	I	J	K	L
1			PNM Exhibit HEM-4									
2			WP GT 2 - Property Taxes Allocation and Test Period Calculation									
3			Hyperlink back to Lead Sheet									
4												
5			Base Period Source: Base Period Data is historical information from the Company's Books and Records.									
6												
7												
8				WP GT-3, Column C	Note 1	WP GT-3 Col. G	Col. E * Col. F			Col. I * Paid Taxes below	WP SS-9	
9				December 2015 Net Plant	Estimated Taxable Value	Weighted Statutory Tax Rate	Estimated 2016 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
10												
11			Net Plant									
12												
13			Net Plant Production Plant									
14												
15			Steam Production Net Plant	749,737,463	249,912,488	2.56%	6,403,481		24.0%	5,928,025		5,928,025
16			San Juan 65MW	-	-	0.00%	-		0.0%	-		-
17												
18			Nuclear Production Net Plant - Palo Verde 1 & 2 (Note 2)	190,301,666	190,301,666	0.91%	1,730,272			2,248,564		2,248,564
19			Nuclear Production Net Plant - Palo Verde 3 (Note 2)	134,661,539	134,661,539	0.72%	967,170	96.0%		967,170		967,170
20			Total Nuclear Production Net Plant	324,963,205	324,963,205		2,697,442	96.0%	0.0%	3,215,734	-	3,215,734
21												
22			Other Production Plant - Gas & 40 MW Solar	424,225,329	141,408,443	3.10%	4,384,314		16.4%	4,058,780		4,058,780
23			Other Production Plant - Renewable	164,900,412	54,966,804	3.28%	1,800,377		6.8%	1,666,700		1,666,700
24			Total Other Production Net Plant	589,125,741	196,375,247		6,184,691	0.0%	23.2%	5,725,480	-	5,725,480
25												
26			Total Net Plant Production Plant	1,663,826,409	771,250,940		15,285,614	96.0%	47.2%	14,869,239	-	14,869,239
27												
28			Net Plant Transmission Plant									
29												
30			Step-Up Transformers - Excluding PV3	8,943,030	2,981,010	2.35%	70,050		0.3%	64,848.45		64,848
31			Step-Up Transformers - PV3 (Note 2)	220,063	220,063	0.72%	1,581	0.2%	0.0%	1,581		1,581
32			Total Transmission Station Equipment - Step-up Xfmr and Aux	9,163,093	3,201,073		71,630	0.2%	0.3%	66,429	-	66,429
33												
34			Transmission System Net Plant - Allocated	408,620,594	136,206,865	3.28%	4,461,306		16.7%	4,130,055		4,130,055
35			Transmission System Net Plant - PV 3 (Note 2)	4,672,253	4,672,253	0.72%	33,557	3.3%		33,557		33,557
36			Transmission System Net Plant - High Lonesome Mesa	23,266,483	7,755,494	3.28%	254,023		1.0%	235,162		235,162
37			Transmission System Net Plant - Dedicated Retail	3,841,061	1,280,354	3.26%	41,937		0.2%	38,823		38,823
38			Transmission System Net Plant - Dedicated FERC	189,342	63,114	3.28%	2,067		0.0%	1,914		1,914
39			Total Transmission System Net Plant	440,589,733	149,978,079		4,792,889	3.3%	17.9%	4,439,511	-	4,439,511
40												
41			Total Net Plant Transmission Plant	449,752,826	153,179,152		4,864,519	3.5%	18.1%	4,505,940	-	4,505,940
42												
43												
44			Net Plant Distribution Plant									
45												
46			Distribution Substations Net Plant - Dedicated FERC	-	-	3.28%	-		0.0%	-		-
47			Distribution Substations Net Plant - PNM	138,661,273	46,220,424	3.28%	1,513,899		5.7%	1,401,493		1,401,493
48			Distribution Substations Net Plant - Renewables	1,671,002	557,001	3.28%	18,244		0.1%	16,889		16,889
49			Total Distribution Substations Net Plant	140,332,275	46,777,425		1,532,143	0.0%	5.7%	1,418,382	-	1,418,382
50												
51			Primary Distribution System Net Plant - PNM	332,986,550	110,995,517	3.28%	3,635,536		13.6%	3,365,598		3,365,598
52			Primary Distribution System Net Plant - Renewables	2,535,659	845,220	3.26%	27,684		0.1%	25,629		25,629
53			Total Primary Distribution Net Plant	335,522,209	111,840,736		3,663,220	0.0%	13.7%	3,391,227	-	3,391,227
54												
55			Secondary Distribution System Net Plant - PNM	197,722,985	65,907,662	3.28%	2,158,733		8.1%	1,998,448		1,998,448
56			Secondary Distribution System Net Plant - Renewables	821,632	273,877	3.28%	8,971		0.0%	8,304		8,304
57			Total Secondary Distribution Net Plant	198,544,617	66,181,539		2,167,703	0.0%	8.1%	2,006,752	-	2,006,752
58												

A	B	C	D	E	F	G	H	I	J	K	L
1		PNM Exhibit HEM-4									
2		WP GT 2 - Property Taxes Allocation and Test Period Calculation									
3		Hyperlink back to Lead Sheet									
4											
5		Base Period Source: Base Period Data is historical information from the Company's Books and Records.									
6											
7											
8			WP GT-3, Column C	Note 1	WP GT-3 Col. G	Col. E * Col. F			Col. I * Paid Taxes below	WP 55-9	
9			December 2015	Estimated Taxable Value	Weighted Statutory Tax Rate	Estimated 2016 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
10			Net Plant								
59		Services Net Plant - PNM	51,102,611	17,034,204	3.28%	557,937		2.1%	516,510		516,510
60											
61		Meters Net Plant - PNM	39,475,398	13,158,466	3.28%	430,991		1.6%	398,990		398,990
62											
63		Private Lighting - 371	544,968	161,656	3.28%	5,950		0.0%	5,508		5,508
64		Street Lighting - 373	11,551,019	3,850,340	3.28%	126,114		0.5%	116,750		116,750
65		Total Lighting Net Plant	12,095,987	4,031,996		132,064	0.0%	0.5%	122,258	-	122,258
66											
67		Total Net Plant Distribution Plant	777,073,096	259,024,365		8,484,057	0.0%	31.8%	7,854,119	-	7,854,119
68											
69		Net Plant General & Intangible Plant (303,359-399)									
70											
71		Production General & Intangible Net Plant	3,941,636	1,313,879	3.28%	43,035		0.2%	39,839		39,839
72		PV Unit 3 General & Intangible Net Plant (Note 2)	764,036	764,036	0.72%	5,487	0.5%		5,487		5,487
73		Renewables General & Intangible Net Plant	19,017	6,339	3.28%	208		0.0%	192		192
74		Bulk Power Operations	3,656,240	1,218,747	3.28%	39,919		0.1%	36,955		36,955
75		Energy Management System Facilities	5,272,326	1,757,442	3.28%	57,563		0.2%	53,289		53,289
76		Other Division Offices/Customer Service	37,787,677	12,595,892	3.28%	412,565		1.5%	381,932		381,932
77		Communications - Transmission	18,227,169	6,075,723	3.28%	199,004		0.7%	184,228		184,228
78		Production Related (non-specific) - Note 3		-		-				218,489	218,489
79		Transmission Related (non-specific) - Note 3		-		-				50,814	50,814
80		Distribution/Customer Related (non-specific) - Note 3		-		-				214,694	214,694
81		Total Net Plant General & Intangible Plant - PNM	69,668,100	23,732,057		757,780	0.5%	2.8%	701,922	483,997	1,185,919
82											
83											
84											
85		Total New Mexico Property Taxes	2,629,700,875	876,566,958		26,653,903			24,674,860	483,997	25,158,857
86		Total Arizona Property Taxes	330,619,556	330,619,556		2,738,068			3,256,360	-	3,256,360
87		Total	2,960,320,431	1,207,186,515		29,391,970	100.0%	100.0%	27,931,220	483,997	28,415,217
88											
89						PV3 1,007,795					
90						Source: Company's Books and Records					
91							Base Period	O&M Reclass WP GT - 7, Row 16	Adjusted Base Period		
92						New Mexico Taxes:	24,674,860		24,674,860		
93						Arizona Taxes:					
94						Palo Verde Unit 1:	380,427		380,427		
95						Palo Verde Unit 2:	907,700	518,292	1,425,992		
96						Palo Verde Unit 3:	786,723		786,723		
97						Palo Verde Common:	663,218		663,218		
98											
99						Palo Verde 1&2	1,730,272		2,248,564		
100						Palo Verde 3:	1,007,795		1,007,795		
101						Total Arizona Taxes:	2,738,068		3,256,360		
102											
103						Total Property Taxes	27,412,928		27,931,220		

A	B	C	M	N	O	P	Q	R	S	T	U
1		PNM Exhibit HEM-4									
2		WP GT-2 - Property Taxes Allocation and Test Period Calculation									
3		Hyperlink back to Lead Sheet									
4											
5		Base Period Source: Base Period Data is historical information from the Company									
6											
7											
8			WP GT-3, Column H	Note 1	WP GT-3, Col. L		WP GT-3, Column H Or WP NP-1, Column AK Note 4	Note 1	WP GT-3		
9			December 2016 Net Plant	Estimated Taxable Value	Weighted Statutory Tax Rate	Estimated 2017 Linkage 2 1/1/17 - 12/31/17 Property Tax	December 2017 Net Plant	Estimated Taxable Value	Weighted Statutory Tax Rate	Estimated Test Period Property Tax	Estimated Linkage 1 7/1/16 - 6/30/17 Property Taxes
10											
11		Net Plant									
12											
13		Net Plant Production Plant									
14											
15		Steam Production Net Plant	709,086,345	236,362,115	2.57%	6,084,501	519,654,874	173,218,291	2.62%	4,541,627	6,006,263
16		San Juan 65MW	-	-	0.00%	-	12,189,685	4,063,228	0.06%	2,336	-
17											
18		Nuclear Production Net Plant - Palo Verde 1 & 2 (Note 2)	289,127,563	289,127,563	0.91%	2,628,823	296,599,364	296,599,364	0.91%	2,696,758	2,438,693
19		Nuclear Production Net Plant - Palo Verde 3 (Note 2)	141,981,404	141,981,404	0.72%	1,019,743	142,346,687	142,346,687	0.72%	1,022,367	993,457
20		Total Nuclear Production Net Plant	431,108,967	431,108,967		3,648,566	438,946,052	438,946,052		3,719,125	3,432,150
21											
22		Other Production Plant - Gas & 40 MW Solar	413,861,191	137,953,730	3.11%	4,293,582	408,895,351	136,298,450	3.09%	4,207,044	4,176,181
23		Other Production Plant - Renewable	157,659,898	52,553,299	3.29%	1,726,855	151,869,639	50,623,213	3.30%	1,668,778	1,696,777
24		Total Other Production Net Plant	571,521,089	190,507,030		6,020,437	560,764,990	186,921,663		5,875,822	5,872,959
25											
26		Total Net Plant Production Plant	1,711,716,401	857,978,111		15,753,504	1,531,555,601	803,149,235		14,138,911	15,311,371
27											
28		Net Plant Transmission Plant									
29											
30		Step-Up Transformers - Excluding PV3	9,737,589	3,245,863	2.19%	71,205	9,265,761	3,088,587	2.15%	66,370	68,027
31		Step-Up Transformers - PV3 (Note 2)	209,420	209,420	0.72%	1,504	196,386	196,386	0.72%	1,410	1,542
32		Total Transmission Station Equipment - Step-up Xfmr and Aux	9,947,009	3,455,283		72,709	9,462,147	3,284,973		67,780	69,569
33											
34		Transmission System Net Plant - Allocated	479,624,173	159,874,724	3.29%	5,253,343	550,820,645	183,606,882	3.30%	6,052,543	4,691,699
35		Transmission System Net Plant - PV 3 (Note 2)	4,577,815	4,577,815	0.72%	32,879	4,390,944	4,390,944	0.72%	31,537	33,218
36		Transmission System Net Plant - High Lonesome Mesa	20,990,511	6,996,870	3.29%	229,911	20,346,039	6,782,013	3.30%	223,567	232,536
37		Transmission System Net Plant - Dedicated Retail	3,574,265	1,191,422	3.29%	39,149	3,224,498	1,074,833	3.30%	35,432	38,986
38		Transmission System Net Plant - Dedicated FERC	-	-	3.29%	-	-	-	3.30%	-	957
39		Total Transmission System Net Plant	508,766,865	172,640,832		5,555,282	578,782,125	195,854,671		6,343,078	4,997,396
40											
41		Total Net Plant Transmission Plant	518,713,874	176,096,115		5,627,991	588,244,272	199,139,644		6,410,858	5,066,965
42											
43											
44		Net Plant Distribution Plant									
45											
46		Distribution Substations Net Plant - Dedicated FERC	-	-	3.29%	-	-	-	3.30%	-	-
47		Distribution Substations Net Plant - PNM	144,394,131	48,131,377	3.29%	1,581,555	150,685,956	50,228,652	3.30%	1,655,772	1,491,524
48		Distribution Substations Net Plant - Renewables	1,384,837	461,612	3.29%	15,168	1,087,445	362,482	3.30%	11,949	16,029
49		Total Distribution Substations Net Plant	145,778,968	48,592,989		1,596,723	151,773,401	50,591,134		1,667,721	1,507,552
50											
51		Primary Distribution System Net Plant - PNM	348,708,877	116,236,292	3.29%	3,819,422	366,038,086	122,012,695	3.30%	4,022,110	3,592,510
52		Primary Distribution System Net Plant - Renewables	2,464,449	821,483	3.29%	26,993	2,393,880	797,960	3.30%	26,305	26,311
53		Total Primary Distribution Net Plant	351,173,327	117,057,776		3,846,416	368,431,966	122,810,655		4,048,414	3,618,821
54											
55		Secondary Distribution System Net Plant - PNM	202,992,179	67,664,060	3.29%	2,223,382	207,485,608	69,161,869	3.30%	2,279,899	2,110,915
56		Secondary Distribution System Net Plant - Renewables	805,062	268,354	3.29%	8,818	782,903	260,968	3.30%	8,603	8,561
57		Total Secondary Distribution Net Plant	203,797,242	67,932,414		2,232,199	208,268,511	69,422,837		2,288,502	2,119,476
58											

	A	B	C	M	N	O	P	Q	R	S	T	U
1			PNM Exhibit HEM-4									
2			WP GT 2 - Property Taxes Allocation and Test Period Calculation									
3			Hyperlink back to Lead Sheet									
4												
5			Base Period Source: Base Period Data is historical information from the Company									
6						2017				2018		
7												
8				WP GT-3, Column H	Note 1	WP GT-3, Col. L		WP GT-3, Column H Or WP NP-1, Column AK Note 4	Note 1	WP GT-3		
9				December 2016	Estimated Taxable Value	Weighted Statutory Tax Rate	Estimated 2017 Linkage 2 1/1/17 - 12/31/17 Property Tax	December 2017	Estimated Taxable Value	Weighted Statutory Tax Rate	Estimated Test Period Property Tax	Estimated Linkage 1 7/1/16 - 6/30/17 Property Taxes
10				Net Plant				Net Plant				
59			Services Net Plant - PNM	51,166,556	17,055,519	3.29%	560,429	52,544,408	17,514,803	3.30%	577,370	538,470
60												
61			Meters Net Plant - PNM	38,814,058	12,938,019	3.29%	425,132	37,669,141	12,556,380	3.30%	413,917	412,061
62												
63			Private Lighting - 371	345,234	115,078	3.29%	3,781	123,220	41,073	3.30%	1,354	4,645
64			Street Lighting - 373	11,450,594	3,816,865	3.29%	125,419	10,976,269	3,658,756	3.30%	120,610	121,084
65			Total Lighting Net Plant	11,795,828	3,931,943		129,200	11,099,489	3,699,830		121,964	125,729
66												
67			Total Net Plant Distribution Plant	802,525,979	267,508,660		8,790,099	829,786,917	276,595,639		9,117,888	8,322,109
68												
69			Net Plant General & Intangible Plant (303,389-399)									
70												
71			Production General & Intangible Net Plant	4,445,496	1,481,832	3.29%	48,692	4,779,457	1,593,152	3.30%	52,518	44,266
72			PV Unit 3 General & Intangible Net Plant (Note 2)	630,706	630,706	0.72%	4,530	559,838	186,613	0.72%	1,340	5,009
73			Renewables General & Intangible Net Plant	33,543	11,181	3.29%	367	31,166	10,389	3.30%	342	280
74			Bulk Power Operations	3,306,464	1,102,155	3.29%	36,216	2,996,062	998,687	3.30%	32,921	36,585
75			Energy Management System Facilities	6,041,823	2,013,941	3.29%	66,176	5,036,728	1,678,909	3.30%	55,345	59,733
76			Other Division Offices/Customer Service	39,179,399	13,059,800	3.29%	429,134	44,266,044	14,755,348	3.30%	486,405	405,533
77			Communications - Transmission	24,885,266	8,295,089	3.29%	272,569	23,821,048	7,940,349	3.30%	261,751	228,398
78			Production Related (non-specific) - Note 3	25,796,938	8,598,979	3.29%	282,555	34,355,917	11,451,972	3.30%	377,511	250,522
79			Transmission Related (non-specific) - Note 3	5,775,949	1,925,316	3.29%	63,264	7,241,136	2,413,712	3.30%	79,567	57,039
80			Distribution/Customer Related (non-specific) - Note 3	44,409,481	14,803,160	3.29%	486,419	57,712,070	19,237,357	3.30%	634,153	350,556
81			Total Net Plant General & Intangible Plant - PNM	154,505,064	51,922,158		1,689,922	180,799,466	60,266,489		1,981,854	1,437,921
82												
83												
84												
85			Total New Mexico Property Taxes	2,750,934,409	916,978,136		28,174,037	2,686,293,036	895,431,012		27,896,098	26,666,447
86			Total Arizona Property Taxes	436,526,908	436,526,908		3,687,479	444,093,220	443,719,995		3,753,413	3,471,919
87			Total	3,187,461,317	1,353,505,044		31,861,516	3,130,386,256	1,339,151,007		31,649,511	30,138,366
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	A	B	C	D	E	F	G
1	PNM Exhibit HEM-4						
2	WP GT 2 - Notes						
3	Hyperlink back to Lead Sheet						
4							
5							
6	General Note: PNM has allocated Base Period property taxes to cost of service categories based on the 2015 Year-end Net Plant values and weighted property tax rates from WP GT-3 to allocate the actual property taxes in the Base Period to the cost of service line items.						
7	Note 1: New Mexico taxable 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.						
8	Note 2: Palo Verde effective tax rate is determined by the Base Period property tax expense divided by the Base Period net book value.						
9	Note 3: Shared Services assets are derived by using the December 31 Corporate Net Book Value from WP Plant - Corporate Net Plant Workbook.xlsx and applying the Test Period CAM rates to obtain PNM's allocated share.						

	A	B	C	D	E	F	G	H	I	J
1		PNM Exhibit HEM-4								
2		WP GT -3 - Property Tax Rates								
3		Hyperlink back to Lead Sheet								
4										
5		Calculation of Weighted Tax Rates								
6			Dec 2015 Net Book Value WP Plant-1, Column L	Taxable Basis	% Weighting	Estimated 2016 Tax Rate	Weighted 2016 Rates	Dec 2016 Net Book Value WP Plant-1, Column AI	Taxable Basis	% Weighting
7		Production								
8		Steam Production								
9		San Juan	646,538,674	215,512,891	86%	2.44%	2.10%	592,131,963	197,377,321	84%
10		San Juan 65MW	-	-	0%	2.44%	0.00%	-	-	0%
11		Four Corners	62,412,261	20,804,087	8%	2.44%	0.20%	77,253,779	25,751,260	11%
12		Reeves	40,763,287	13,587,762	5%	4.77%	0.26%	39,677,643	13,225,881	6%
13		Algodones	23,241	7,747	0%	3.27%	0.00%	22,960	7,653	0%
14		Total Steam	749,737,463	249,912,488			2.56%	709,086,345	236,362,115	
15										
16		Palo Verde 1 & 2 (Note 4)	190,301,666	190,301,666		1.25%	1.25%	289,127,563	289,127,563	
17		Palo Verde 3	134,661,539	134,661,539		1.25%	1.25%	141,981,404	141,981,404	
18		Total Nuclear	324,963,205	324,963,205				431,108,967	431,108,967	
19										
20		Other Plant - Gas & 40 MW Solar								
21		Afton	172,904,116	57,634,705	41%	3.34%	1.36%	168,152,913	56,050,971	41%
22		Luna	46,339,501	15,446,500	11%	2.65%	0.29%	44,731,836	14,910,612	11%
23		Lordsburg	39,081,802	13,027,267	9%	2.57%	0.24%	38,100,358	12,700,119	9%
24		Rio Bravo	36,378,492	12,126,164	9%	3.27%	0.28%	36,056,837	12,018,946	9%
25		La Luz	52,717,134	17,572,378	12%	2.73%	0.34%	50,491,846	16,830,615	12%
26		Not Used	-	-				-	-	
27		Other (40MW Solar)	76,804,285	25,601,428	18%	3.28%	0.59%	76,327,400	25,442,467	18%
28		Total Other - Gas	424,225,329	141,408,443			3.10%	413,861,191	137,953,730	
29										
30		Renewables	164,900,412	54,966,804	100%	3.28%	3.28%	157,659,898	52,553,299	100%
31										
32										
33		Total Production without PV3	1,529,164,870	636,589,401			2.35%	1,569,734,997	715,996,708	
34										
35										

	A	B	C	D	E	F	G	H	I	J
1		PNM Exhibit HEM-4								
2		WP GT -3 - Property Tax Rates								
3		Hyperlink back to Lead Sheet								
4										
5		Calculation of Weighted Tax Rates								
6			Dec 2015 Net Book Value WP Plant-1, Column L	Taxable Basis	% Weighting	Estimated 2016 Tax Rate	Weighted 2016 Rates	Dec 2016 Net Book Value WP Plant-1, Column AI	Taxable Basis	% Weighting
36		Calculation for Property Tax Escalation	2011 Tax Rate	2012 Tax Rate	2013 Tax Rate	2014 Tax Rate	2015 Tax Rate	NM Average Property Tax Escalation		
37		Total Composite (NM)	3.22%	3.25%	3.26%	3.27%	3.26%	0.32%		
38		Total Composite (AZ)	0.96%	0.99%	1.31%	1.26%	1.25%			
39										
40										
41										
42										
43			Location	County	2015 Actual Rate	ce of Actual Rates - Note 1				
44			San Juan	San Juan	2.43%	Certificates of Property Taxes By NM County				
45			Four Corners	San Juan	2.43%	Certificates of Property Taxes By NM County				
46			Reeves	Bernalillo	4.75%	Bernalillo County Assessor website				
47			Afton	Dona Ana	3.33%	Dona Ana County Assessor website				
48			Luna	Luna	2.64%	Certificates of Property Taxes By NM County				
49			Lordsburg	Hidalgo	2.56%	Certificates of Property Taxes By NM County				
50			Algodones	Sandoval	3.26%	Certificates of Property Taxes By NM County				
51			La Luz	Valencia	2.72%	Certificates of Property Taxes By NM County				
52										
53			New Mexico Composite Tax Rate Calculation							
54			2015 Tax Paid	Taxable Value Note 2	2015 Actual Rate	Estimated 2016 Rate	Estimated 2017 Rate	Estimated 2018 Rate		
55			24,483,429	749,285,483	3.26%	3.28%	3.29%	3.30%	Note 5	
56										
57			Arizona Composite Tax Rate Calculation							
58			2015 Tax Paid	Taxable Value	2015 Actual Rate	Estimated 2016 Rate	Estimated 2017 Rate	Estimated 2018 Rate		
59			4,751,396	381,389,997	1.25%	1.25%	1.25%	1.25%	Note 3	

	A	B	K	L	M	N	O	P	Q
1		PNM Exhibit HEM-4							
2		WP GT -3 - Property Tax Rates							
3		Hyperlink back to Lead Sheet							
4									
5									
6			Estimated 2017 Tax Rate	Weighted 2017 Estimated Rates	Dec 2017 Net Book Value WP Plant-1, Column AW	Taxable Basis	% Weighting	Estimated 2018 Tax Rate	Weighted 2018 Estimated Rates
7		Production							
8		Steam Production							
9		San Juan	2.44%	2.04%	339,274,842	113,091,614	65%	2.45%	1.60%
10		San Juan 65MW	2.44%	0.00%	12,189,685	4,063,228	2%	2.45%	0.06%
11		Four Corners	2.44%	0.27%	130,357,044	43,452,348	25%	2.45%	0.61%
12		Reeves	4.78%	0.27%	37,810,620	12,603,540	7%	4.80%	0.35%
13		Algodones	3.28%	0.00%	22,684	7,561	0%	3.29%	0.00%
14		Total Steam		2.57%	519,654,874	173,218,291			2.62%
15									
16		Palo Verde 1 & 2 (Note 4)	1.25%	1.25%	296,599,364	296,599,364		1.25%	1.25%
17		Palo Verde 3	1.25%	1.25%	142,346,687	142,346,687		1.25%	1.25%
18		Total Nuclear			438,946,052	438,946,052			
19									
20		Other Plant - Gas & 40 MW Solar							
21		Afton	3.35%	1.36%	168,862,444	56,287,481	41%	3.36%	1.37%
22		Luna	2.66%	0.29%	44,155,714	14,718,571	11%	2.67%	0.28%
23		Lordsburg	2.58%	0.24%	36,856,243	12,285,414	9%	2.59%	0.23%
24		Rio Bravo	3.28%	0.29%	35,260,567	11,753,522	9%	3.29%	0.28%
25		La Luz	2.74%	0.33%	49,944,998	16,648,333	12%	2.75%	0.33%
26		Not Used			-				
27		Other (40MW Solar)	3.29%	0.61%	73,815,385	24,605,128	18%	3.30%	0.59%
28		Total Other - Gas		3.11%	408,895,351	136,298,450			3.09%
29									
30		Renewables	3.29%	3.29%	151,869,639	50,623,213	100%	3.30%	3.30%
31									
32									
33		Total Production without PV3		2.19%	1,377,019,228	656,739,319			2.15%
34									
35									

	A	B	C	D	E	F	G
1	PNM Exhibit HEM-4						
2	WP GT -3 - Notes						
3	Hyperlink back to Lead Sheet						
4							
5							
6	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						
7	Note 2: New Mexico Composite Tax Rate Calculation includes PNM's allocated Shared Services property located in New Mexico.						
8	Note 3: Arizona property tax rates were held constant for the linkage and Test Period. The large increase in 2013 rates was due to Maricopa County billing at an incorrect rate in 2011 and 2012. PNM does not expect significant escalation on Arizona property tax rates.						
9	Note 4: 2015 property taxes for Palo Verde 1 & 2 are calculated based on the net book value excluding amounts associated with the First Chicago Interest. Property taxes associated with the First Chicago Interest are recorded in FERC Account 525 as lease expense during 2015. Starting in 2016, property taxes associated with the First Chicago Interest are recorded as property tax expense and no longer recorded in FERC Account 525.						
10	Note 5: The estimated NM property tax rate for 2016, 2017 , and 2018 was based on the prior year rate multiplied by the escalation factor in column H, row 37.						
11							

	A	B	C	D	E	F	G
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 GT-5 Labor	WP SS-8		Total Adjusted Base Period Payroll Taxes	
7	Description	Unadjusted Base Period Payroll Taxes	Normalization Adjustment - PNM	Shared Services Allocation	Total Base Period Adjustments		
8							
9	Production	1,576,697	338,154	981,028	1,319,182	2,895,879	
10	Transmission	133,427	301,669	262,128	563,797	697,224	
11	Distribution	2,513,888	(493,632)	1,426,025	932,393	3,446,281	
12	Total	4,224,012	146,192	2,669,181	2,815,373	7,039,385	
13							
14							
15		WP GT-5	WP SS-8		WP GT-5	WP SS-8	
16	Description	Linkage 1 Data - PNM	Linkage 1 Data - Shared Services	Total Linkage 1 Data	Linkage 2 Data - PNM	Linkage 2 Data - Shared Services	Total Linkage 2 Data
17							
18	Production	1,898,186	867,104	2,765,290	1,873,040	777,770	2,650,809
19	Transmission	476,850	222,646	699,496	471,714	200,003	671,717
20	Distribution	2,185,299	1,184,856	3,370,155	2,136,437	1,066,082	3,202,519
21	Total	4,560,335	2,274,606	6,834,942	4,481,190	2,043,854	6,525,045
22							
23							
24							
25		WP GT-5	WP SS-8				
26	Description	Test Period - PNM	Test Period - Shared Services Allocation	Total Test Period Payroll Taxes			
27							
28	Production	2,477,971	862,386	3,340,357			
29	Transmission	487,609	217,421	705,030			
30	Distribution	2,185,894	1,167,603	3,353,497			
31	Total	5,151,474	2,247,411	7,398,884			

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit HEM-4								
2	WP-GT-5 PNM Payroll Tax Calculation								
3	Hyperlink back to Lead Sheet								
4									
5		WP LA - 1	WP LA - 4	WP OM - 11		WP LA - 1	WP LA - 4	WP OM - 11	
6		PNM Normalized Base Period	Add San Juan Normalized Base Period (PNM Share)	WPM Incentive Compensation	Total Adjusted Base Period	PNM Linkage Period 1 Data 7/1/2016 - 6/30/2017	Add San Juan Normalized Base Period (PNM Share)	WPM Incentive Compensation	Total Linkage Period 1 Data 7/1/2016 - 6/30/2017
7	Production Labor	7,688,287	20,721,966		28,410,252	7,529,691	20,675,153		28,204,844
8	Transmission	5,948,094	267,570		6,215,664	5,789,844	269,242		6,059,086
9	Distribution	28,184,618	-	676,185	28,860,803	27,031,159	-	736,301	27,767,460
10	Total	41,820,999	20,989,536	676,185	63,486,719	40,350,694	20,944,396	736,301	62,031,390
11									
12	Recalculation of Payroll Taxes								
13	FICA/FUTA/SUTA								
14	Production	518,191	1,396,660	-	1,914,851	506,748	1,391,438	-	1,898,186
15	Transmission	416,367	18,730	-	435,096	455,661	21,189	-	476,850
16	Distribution	1,972,923	-	47,333	2,020,256	2,127,352	-	57,947	2,185,299
17	Total FICA/FUTA/SUTA	2,907,480	1,415,390	47,333	4,370,204	3,089,761	1,412,627	57,947	4,560,335
18									
19									
20									
21			Base Period	Base Period Payroll Tax Adjustment	Adjusted Base Period				
22		Production	1,576,697	338,154	1,914,851				
23		Transmission	133,427	301,669	435,096				
24		Distribution	2,513,888	(493,632)	2,020,256				
25			4,224,012	146,192	4,370,204				
26									
27									
28				PNM Exhibit HEM-15	PNM Exhibit HEM-15	PNM Exhibit HEM-15			
29			Payroll Tax Rate	Base Period	Linkage Period	Test Period			
30			Production	6.74%	6.73%	6.89%			
31			Transmission	7.00%	7.87%	7.84%			
32			Distribution	7.00%	7.87%	7.84%			
33									
34	Base period data is historical information from the Company's Books and Records.								

	J	K	L	M	N	O	P	Q	R
1									
2									
3									
4									
5	WP LA - 1	WP LA - 4	WP OM - 11		WP LA - 1	WP LA - 4	WP LA - 4	WP OM - 11	
6	PNM Linkage Period 2 Data 1/1/2017 - 12/31/2017	Add San Juan Normalized Base Period (PNM Share)	WPM Incentive Compensation	Total Linkage Period 2 Data 1/1/2017 - 12/31/2017	PNM Test Period	Add San Juan Normalized Test Period (PNM Share)	Add San Juan 65MW Test Period	WPM Incentive Compensation	Total Test Period
7	7,498,709	20,332,488		27,831,197	7,691,241	25,286,585	2,986,919		35,964,745
8	5,721,234	272,587		5,993,821	5,872,741	346,763			6,219,504
9	26,412,721	-	733,873	27,146,594	27,125,409	-		755,889	27,881,298
10	39,632,664	20,605,075	733,873	60,971,612	40,689,391	25,633,348	2,986,919	755,889	70,065,546
11									
12									
13									
14	504,663	1,368,376	-	1,873,040	529,927	1,742,246	205,799	-	2,477,971
15	450,261	21,453	-	471,714	460,423	27,186	-	-	487,609
16	2,078,681	-	57,756	2,136,437	2,126,632	-	-	59,262	2,185,894
17	3,033,605	1,389,829	57,756	4,481,190	3,116,981	1,769,432	205,799	59,262	5,151,474
18									
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	A	B	C	D	E	F	G	H	I	J	K
1	PNM Exhibit HEM-4										
2	WP GT 6 - Other Misc Taxes										
3	Hyperlink back to Lead Sheet										
4											
5						Column C + Column D + Column E	Column B + Column G				
6	Description	Unadjusted Base Period	Remove Base Period I&S Taxes Note 1	Removal of Gross Receipts & Franchise Tax Note 2	Normalize Adjustment Note 3	Total Base Period Adjustments	Total Adjusted Base Period Misc Taxes	Escalation Note 4	Test Period	Linkage 1 7/1/16 - 6/30/17	Linkage 2 1/1/17 - 12/31/17
7	Misc Taxes - Production Related	(177,231)		132,346	48,936	181,282	4,052	60.78	4,112	4,052	4,052
8	Misc Taxes - Renewable	163,082				-	163,082	2,446	165,528	163,082	163,082
9	Misc Taxes - Transmission Related	142,561		(141,674)	4	(141,670)	891	13	904	891	891
10	Misc Taxes - Distribution Related	26,045		(16,965)	15	(16,950)	9,095	136	9,231	9,095	9,095
11	Regulatory Commission Fees (I&S) PNM	5,178,619	(5,178,619)			(5,178,619)	-	-	-	-	-
12	Joint Projects Four Corners	405,007				-	405,007	6,075	411,082	405,007	405,007
13	Joint Projects PVNGS	1,964,290				-	1,964,290	29,464	1,993,754	1,964,290	1,964,290
14	Joint Projects Transmission	-				-	-	-	-	-	-
15	Native American Taxes - Production	1,554,300				-	1,554,300	23,314	1,577,615	1,554,300	1,554,300
16	Native American Taxes - Transmission	890,883				-	890,883	13,363	904,247	890,883	890,883
17	Native American Taxes - Distribution	150,175				-	150,175	2,253	152,427	150,175	150,175
18	Total	10,297,732	(5,178,619)	(26,293)	48,955	(5,155,957)	5,141,775	77,127	5,218,901	5,141,775	5,141,775
19											
20											
21	Escalation	1.5%									
22	Escalation Periods (years) - Test	1.0									

	A	B	C	D	E	F	G
1	PNM Exhibit HEM-4						
2	WP GT 6 - Notes						
3	Hyperlink back to Lead Sheet						
4							
5	Base Period data is historical information from the Company's Books and Records.						
6	Note 1: Revenue taxes are removed from the Base Period as the revenue taxes are based on the revenue requirement in PNM Exhibit HEM-3.						
7	Note 2: PNM Removed the impacts of Gross Receipts and Franchise Taxes as these are collected outside of base rates.						
8	Note 3: PNM removed the impacts of a compensating tax refund that was received during the Base Period. This type of refund is not anticipated to repeat into the Test Period.						
9	Note 4: Escalation = Column H * Line 26, Column B * Line 27, Column B						
10							

	A	B	C	D
1	PNM Exhibit HEM-4			
2	WP GT -7 - Property Tax Reclass			
3	Hyperlink back to Lead Sheet			
4				
5				WP OM-2, Column C, Line 329
6		July - December 2015	January - June 2016	Total Base Period
7	Base Period Property Tax Expense (Palo Verde Units 1 & 2 Leased)	1,150,840	743,406	1,894,246
8	Total Leased MW Capacity (Palo Verde Units 1 & 2)	208.5		
9				
10	PV owned allocation Rate (Line 14 / 8)	45.04%		
11				
12	64.1MW PV2	64.1		
13	First Chicago MW Capacity	29.8		
14	Total MW	93.9		
15				
16	Reclass O&M to Ownership (Line 7 * Line 10)	518,292		
17				
18	Note: This adjustment is to reflect property tax expense associated with Palo Verde Unit 2 assets that were leased during the base period but are now owned (First Chicago and 64.1MW PV Unit 2). In the Base Period, these expenses were recorded as O&M expense; the offset to this adjustment is reflected in WP O&M-3 (col. I, line 329).			

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP OA

Is contained in the following 3 pages

	A	B	C	D	E
1	PNM Exhibit HEM - 4				
2	WP OA - Lead Sheet				
3				<i>Provides Information To</i>	<i>Requires Information From</i>
4	<i>Tab Reference</i>	<i>Description</i>	<i>Purpose</i>	<i>Tab name</i>	<i>Tab name</i>
5	WP OA-1	Other Allowable Expenses	Provides a Summary of Other Allowable Expenses, Including: Base Period, Base Period Adjustments, Linkage Expenses, Test Period Expenses.	PNM Exhibit HEM-3 WP COS.xlsx; PNM Exhibit HEM-3 COS Base Adj, PNM Exhibit HEM-3 COS Test	WP RA- Reg Asset & Liab workpaper.xlsx; WP RA-1, WP ORB- Other Rate Base Workpaper.xlsx; WP ORB-7, WP ORB-9, WP ORB-10, WP ORB-13

	A	B	C	D	E	F	G	H	I	J	K	L
1	PNM Exhibit HEM - 4											
2	WP OA-1 - Summary of Other Allowable Expenses											
3	Note 1: Base period data is historical information from the Company's Books and Records											
4	Hyperlink to Lead Sheet											
5												
6						Note 3	Note 3					
7	Description	FERC	Base Period	Base Period Adjustments	Adjusted Base Period	Linkage Period 1 07/01/2016 through 06/30/2017	Linkage Period 2 01/01/2017 through 12/31/2017	Test Period	Test Period to Adjusted Base Period Variance- \$	Test Period to Adjusted Base Period Variance- %	Explanation	Reference
8	Interest on Customer Deposits - CT 427	431	241,075	-	241,075	241,075	241,075	241,075	-	0.0%	N/A	Note 1
9	Loss on Reacquired Debt - CT 422	428.1	1,235,545	-	1,235,545	1,593,753	1,665,395	1,665,395	429,851	34.8%	Note 2	WP ORB-7, Column J, Line 31
10	2016 Rate Case Expenses - CT 422	928	-	-	-	-	-	890,000	890,000	100.0%	Note 3	WP ORB-10, Column D, Line 28
14	Renewable Federal and State Grants	407.4	(1,307,450)	-	(1,307,450)	(1,156,932)	(1,156,932)	(1,156,932)	150,518	-11.5%	Note 7	WP RA-1, Lines 31 + 32
15	Accretion ARO - Production Related - CT 610	411	6,017,044	-	6,017,044	6,373,584	6,597,587	7,104,695	1,087,650	18.1%	Note 4	WP ORB-13, line 13
16	Accretion ARO - PV 3 - CT 610	411	2,677,308	-	2,677,308	2,903,612	3,023,846	1,300,000	(1,377,308)	-51.4%	Note 4	WP ORB-13, line 15
17	Accretion ARO - Distribution Related - CT 610	411	110,355	-	110,355	94,057	96,970	105,213	(5,142)	-4.7%	Note 4	WP ORB-13, line 19
18	Amortization of LVGS Regulatory Liability - CT 422	431	-	-	-	(567,056)	(819,220)	(204,805)	(204,805)	100.0%	Reflects new amortization of regulatory liability approved in Case No. 15- 00261-UT.	WP RA-1, line 29
19	Amortization of LVGS Regulatory Asset - CT 422	419	-	-	-	103,043	148,865	37,216	37,216	100.0%	Reflects new amortization of regulatory asset approved in Case No. 15- 00261-UT.	WP RA-1, line 28
20	Amortization of SJGS Coal Agreement Transaction Costs- CT 422	419	-	-	-	-	-	610,550	610,550	100.0%	Note 5	WP ORB-9, Column B, lines 32-43
21	Amortization of 50% SJGS 2&3 Undepreciated Balance	419	-	-	-	-	-	6,411,210	6,411,210	100.0%	Note 6	WP RA-1, line 34
22	Total Other Allowable Expenses		8,973,878	-	8,973,878	9,585,135	9,797,586	17,003,617	8,029,739			
23												
24	General Note: The electronic version of this worksheet uses the Microsoft Excel outline											
25	function. This function groups the elements of cost, and or print formatting purposes.											
26												

	A
1	PNM Exhibit HEM - 4
2	WP OA-1 - Summary of Other Allowable Expenses
3	Notes Page for WP OA-1
4	
5	Hyperlink to Lead Sheet
6	
7	WP OA-1 Notes
8	Note 1: Customer deposits –The test period balances match the adjusted base period balances as PNM does not forecast any significant changes to these balances
9	
10	Note 2: PNM forecasted a refinancing of \$146 million in the linkage data. This increased the loss on reacquired debt amortization in the Test Period. Please refer to testimony of PNM Witness Eden.
11	
12	Note 3: Represents amortization of requested 2016 Rate Case expenses regulatory asset. Please see WP ORB-10 for further details.
13	
14	Note 4: Please refer to WP ORB-13 for adjustments made to accretion expense.
15	Note 5: Represents amortization of requested SJGS Coal Agreement Transaction Costs Regulatory Asset. Please refer to WP ORB-9 for further details.
16	
17	Note 6: Amortization beginning in 2018 of approved regulatory asset in Case No. 13-00390-UT.
17	Note 7: Base Period included amortization of previously deferred renewable amounts. This amortization ended in the Base Period. These amounts are allocated to Renewables and not subject to this proceeding.

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP RC

Is contained in the following 9 pages

	A	B	C	D	E
1	PNM Exhibit HEM - 4				
2	WP RC - Lead Sheet				
3					
4				<i>Provides Information To</i>	<i>Requires Information From</i>
5	<i>Tab Reference</i>	<i>Description</i>	<i>Purpose</i>	<i>Tab name</i>	<i>Tab name</i>
6	<u>WP RC-1</u>	Revenue Credits Summary	Provides a summary of revenue credits, from Base Period, Linkage and Test Period.	PNM Exhibit HEM-3 WP COS.xlsx; COS Base Adj, COS Test	WP RC - 2, WP RC-3, WP RC-4, WP RC-5, WP SS - Shared Services Workpaper.xlsx; WP SS-7, Manual Inputs
7	<u>WP RC-2</u>	Revenue Credits Rate 16	Provides adjustments to Rate 16 revenue credits proposed in the filing.	WP RC-1	Manual Inputs
8	<u>WP RC-3</u>	Revenue Credits Other Retail Revenue	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	<u>WP RC-4</u>	Revenue Credits Transmission Revenue	Provides the detail of Transmission Revenues in the base period and identification of revenue credits.	WP RC-1	Manual Inputs
10	<u>WP RC-5</u>	Revenue Credits Joint Use	Provides the calculation for normalizing the base period for joint use revenue.	WP RC-1	Manual Inputs
11	<u>WP RC-6</u>	Revenue Credits Deferral Payment for Test Period	Provides the detail on the forecasted deferral payment of Broadview Grady Wind Energy	WP RC-1	Manual Inputs
12					
13	Note: File name is provided, if worksheet is linked to external workbook.				

	A	B	C	D	E	F	G	H	I
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-7, Column G	WP RC-5, line 28	WP RC-2, Column G	WP RC-4	WP RC-4, Column N, Line 59	Sum of Column D through Column H
6	Description	FERC	Base Period	Shared Service Revenue	Joint Use	Rate 16	Account Reconciliation True-up	Deferral Payments	Base Period Adjustments
10	Total Sale of SO2 Credits	411	38	-	-	-	-	-	-
13	Total Rent For Electric Property Transmission	454	(457,999)	-	13,390	-	-	-	13,390
16	Total Rent for Electric Property - Distribution	454	(4,014,341)	-	301,462	-	-	-	301,462
19	Total Late Payment Charges	450	(957,188)	-	-	-	-	-	-
22	Total Misc Service Charge Revenue	451	(1,032,031)	-	-	(517,417)	-	-	(517,417)
25	Total Other Retail Revenue - Transmission	456	(69,072)	-	-	-	-	-	-
28	Total Other Retail Revenue - Distribution	456	(299,227)	-	-	-	-	-	-
31	Total Generation Ancillary Services Credit Sch 2-6	456.1	(1,607,407)	-	-	-	-	-	-
34	Total Real Power Losses (Financial)	456.1	(300,413)	-	-	-	-	-	-
37	Total Transmission Redispatch Contract Revenues	456.1	(189,001)	-	-	-	-	-	-
40	Total Ancillary Services-Sch 1 and Sch 8 Transmission	456.1	(2,064,899)	-	-	-	560,792	763,638	1,324,430
43	Total Short Term Firm Sch 7 Transmission	456.1	(423,724)	-	-	-	-	-	-
46	Total Ancillary Services-Sch 1 ST PTP and Transmission Service	456.1	(266,551)	-	-	-	-	-	-
50	Economy Service Customer Revenue Credits	442&555	(4,558,971)	-	-	-	-	-	-
52	Shared Services Revenue		-	(118,399)	-	-	-	-	(118,399)
53	Total Revenue Credits		(16,240,786)	(118,399)	314,852	(517,417)	560,792	763,638	1,003,466
54									
55	Escalation Rate		1.50%						
56	Periods of Escalation (years)		1						
57									
58	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.								
59									
60	Note 1:Column K = Column J * line 55, column C * line 56, column C								
61									
62									

	A	B	J	K	L	M	N	O	P
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			Column C + Column I	Note 1	WP RC-6	PNM Exhibit HEM-3 COS Test, Column G, Lines 675-689			
6	Description	FERC	Adjusted Base Period	Escalation Adjustment	Forecasted Deferral Payments	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	38	1	-	39	1	1.5%	Escalation Adjustment
13	Total Rent For Electric Property Transmission	454	(444,609)	(6,669)	-	(451,278)	(6,669)	1.5%	Escalation Adjustment
16	Total Rent for Electric Property - Distribution	454	(3,712,879)	(55,693)	-	(3,768,572)	(55,693)	1.5%	Escalation Adjustment
19	Total Late Payment Charges	450	(957,188)	(14,358)	-	(971,546)	(14,358)	1.5%	Escalation Adjustment
22	Total Misc Service Charge Revenue	451	(1,549,448)	(23,242)	-	(1,572,690)	(23,242)	1.5%	Escalation Adjustment
25	Total Other Retail Revenue - Transmission	456	(69,072)	(1,036)	-	(70,108)	(1,036)	1.5%	Escalation Adjustment
28	Total Other Retail Revenue - Distribution	456	(299,227)	(4,488)	-	(303,716)	(4,488)	1.5%	Escalation Adjustment
31	Total Generation Ancillary Services Credit Sch 2-6	456.1	(1,607,407)	(24,111)	-	(1,631,518)	(24,111)	1.5%	Escalation Adjustment
34	Total Real Power Losses (Financial)	456.1	(300,413)	(4,506)	-	(304,920)	(4,506)	1.5%	Escalation Adjustment
37	Total Transmission Redispatch Contract Revenues	456.1	(189,001)	(2,835)	-	(191,836)	(2,835)	1.5%	Escalation Adjustment
40	Total Ancillary Services-Sch 1 and Sch 8 Transmission	456.1	(740,469)	(11,107)	(202,500)	(954,076)	(213,607)	28.8%	See WP RC-6
43	Total Short Term Firm Sch 7 Transmission	456.1	(423,724)	(6,356)	-	(430,080)	(6,356)	1.5%	Escalation Adjustment
46	Total Ancillary Services-Sch 1 ST PTP and Transmission Service	456.1	(266,551)	(3,998)	-	(270,550)	(3,998)	1.5%	Escalation Adjustment
50	Economy Service Customer Revenue Credits	442&555	(4,558,971)	(68,385)	-	(4,627,355)	(68,385)	1.5%	Escalation Adjustment
52	Shared Services Revenue		(118,399)	(1,776)	-	(120,175)	(1,776)	1.5%	Escalation Adjustment
53	Total Revenue Credits		(15,237,320)	(228,560)	(202,500)	(15,668,379)	(431,060)		
54									
55	Escalation Rate								
56	Periods of Escalation (years)								
57									
58	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.								
59									
60	Note 1:Column K = Column J * line 55, column C * line 56, column C								
61									
62									

	A	B	C	D	E	F	G	H
1	PNM Exhibit HEM - 4							
2	WP RC-2: Rate 16 Rates Normalization Calculation							
3	Base Period data is historical information from the Company's Books and Records.							
4	Hyperlink to Revenue Credit Lead Sheet							
5								
6					Column B * Column C	Column B * Column D	Column F less Column E	Column E + Column G
7	Rate 16 Charge	Base Period Volumes	Base Period Fee	Rates Approved in Case No. 15- 00261-UT	Revenue at Old Rate 16	Revenue at New Rate 16 Fee	Base Period Adjustments	Adjusted Base Period
8	Returned Payments - Checks	7,605	\$ 15.00	\$ 15.00	(114,077)	(114,077)	-	(114,077)
9	Returned Payments - Non Checks - Note 1	16,803	\$ -	\$ 15.00	-	(252,045)	(252,045)	(252,045)
10	Collection Charge	10,216	\$ 9.00	\$ 11.00	(91,944)	(112,376)	(20,432)	(112,376)
11	Connect Charge (Turn on)	17,004	\$ 7.00	\$ 11.00	(119,028)	(187,044)	(68,016)	(187,044)
12	Connect Charge (Read Only)	81,861	\$ 7.00	\$ 7.00	(573,027)	(573,027)	-	(573,027)
13	Electric Metering Tampering Fee	190	\$ 200.00	\$ 200.00	(38,000)	(38,000)	-	(38,000)
14	Reconnect (After DNP) - Note 1	12,171	\$ -	\$ 11.00	-	(133,881)	(133,881)	(133,881)
15	Reconnect (After DNP-After hours) - Note 1	-	\$ -	\$ 14.00	-	-	-	-
16	OMR Meter Installation - Note 1	1,493	\$ -	\$ 15.00	-	(22,395)	(22,395)	(22,395)
17	Reconnect at Poll - Note 1	178	\$ -	\$ 116.00	-	(20,648)	(20,648)	(20,648)
18					(936,076)	(1,453,493)	(517,417)	(1,453,493)
19								
20								
21	Temp Service Charge Overhead	169	\$ 263.00	\$ 263.00	(44,427)	(44,427)	-	(44,427)
22	Service Charge Underground	1,015	\$ 50.00	\$ 50.00	(50,743)	(50,743)	-	(50,743)
23	Meter Test Charge	1	\$ 21.00	\$ 21.00	(21)	(21)	-	(21)
24	Late Payment Charge : Note 1	-	\$ -	\$ -	(110)	(110)	-	(110)
25	Miscellaneous	-	\$ -	\$ -	(654)	(654)	-	(654)
26					(95,955)	(95,955)	-	(95,955)
27								
28	Total				(1,032,031)	(1,549,448)	(517,417)	(1,549,448)
29								
30	DNP: Disconnected for Non-Payment							
31	Note 1: Base Period volumes are pulled from PNM's billing system. These volumes did							
32	not get charged a rate in the Base Period. However, these volumes will generate							
	revenues based on approval in Case No. 15-00261-UT.							

	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	Note: Other Retail Revenue is recorded in FERC 456000, cost type 770 (Revenue General).				
5	Hyperlink to Revenue Credit Lead Sheet				
6					
7					
8					
9					
10	Description	Base Period Total	Include / Exclude	Reference	
11	DG PV Credits	(267,259)	Distribution Revenue Credit - Include		
12	OATI West Connect	(69,072)	Transmission Revenue Credit - Include		
13	KAFB - Distribution Charge	(31,968)	Distribution Revenue Credit - Include		
14	COG - Facility Charge	29,939	Exclude		
15	Solar FAC Adjustments	19,307	Exclude		
16	Credit Reserve	(5,038)	Exclude		
17	Miscellaneous	1,439	Exclude		
18	Total	(322,652)			
19		45,647	Excluded - not reflected in Cost of Service		
20		(69,072)	Transmission Rev Credit (line 12)	WP RC-1, Column C	
21		(299,227)	Distribution Rev Credit (line 11 + line 13)	WP RC-1, Column C	
22					
23					

	A	B	C	D	E	F	G	H	I	J	K
1	PNM Exhibit HEM - 4										
2	WP RC-4: Transmission Revenue Credits										
3	Base Period data is historical information from the Company's										
4	Books and Records.										
5	Hyperlink to Revenue Credit Lead Sheet										
6		FPPCAC Credit			Demand Allocation						
7		Redispatch PNM N&S 049	Redispatch FERC - 057		Mendoza Network 052	City of Aztec 066	NEC 636	Pre OATT 638	LT Schedule 7 639	Network Service Charge 650	
8	Total Base Period	(674,773)	(51,336)		(122,152)	(673,660)	(467,857)	(1,639,440)	(10,617,200)	(14,391,378)	
9											
10	Revenue Credits - Base Period										
11	Removal of Accounting Adjustment - Note 1										
12	Elimination of Deferral Payments - Note 2										
13	Revenue Credits Adjusted Base Period										
14											
15											
16											
17											

	A	L	M	N	O	P	Q	R	S	T
1	PNM Exhibit HEM - 4									
2	WP RC-4: Transmission Revenue Credits									
3	Base Period data is historical information from the Company's									
4	Books and Records.									
5	Hyperlink to Revenue Credit Lead Sheet									
6		Revenue Credits								
7		Redispatch Contracts 041	Schedule 1 ST PTP 620	ST Firm Schedule 7 640	Schedule 8 642	Schedule 1 644	Transmission Service 645	Schedule 2-6 726	Real Power Losses 727	Total
8	Total Base Period	(189,001)	(12,031)	(423,724)	(1,697,466)	(367,433)	(254,520)	(1,607,407)	(300,413)	(33,489,792)
9										
10	Revenue Credits - Base Period	(189,001)	(12,031)	(423,724)	(1,697,466)	(367,433)	(254,520)	(1,607,407)	(300,413)	(4,851,996)
11	Removal of Accounting Adjustment - Note 1				560,792					560,792
12	Elimination of Deferral Payments - Note 2				763,638					763,638
13	Revenue Credits Adjusted Base Period	(189,001)	(12,031)	(423,724)	(373,036)	(367,433)	(254,520)	(1,607,407)	(300,413)	(3,527,566)
14										
15		Note 1: Adjustment to remove true up of accounts receivable balances recorded in the Base Period.								
16		Note 2: PNM removed these deferral payments from the Base Period because PNM expects one of the customers to begin taking transmission service under PNM's OATT, and the other transmission customer has cancelled their service agreement.								
17										

	A	B	C	D
1	PNM Exhibit HEM - 4			
2	WP RC-5: Normalization Adjustment for Joint Use Revenues			
3	Base Period data is historical information from the Company's Books and Records.			
4	Hyperlink to Revenue Credit Lead Sheet			
5				
6				
7		<u>Base Period Total</u>		
8		<u>Distribution</u>	<u>Transmission</u>	
9	Jul-15	(359,935)	(36,194)	
10	Aug-15	(357,686)	(36,194)	
11	Sep-15	(358,270)	(38,816)	
12	Oct-15	(362,187)	(37,042)	
13	Nov-15	(359,496)	(37,042)	
14	Dec-15	(360,327)	(50,405)	
15	Jan-16	(284,834)	(36,982)	
16	Feb-16	(338,119)	(38,355)	
17	Mar-16	(312,330)	(38,917)	
18	Apr-16	(301,746)	(38,753)	
19	May-16	(302,077)	(34,663)	
20	Jun-16	(317,333)	(34,635)	
21		(4,014,341)	(457,999)	
22				
23	Normalized Joint Use Revenues for Base Period - Note 1			
24		(1,856,439)	(222,304)	Total for Jan - June 2016 (sum lines 15 - 20)
25		(309,407)	(37,051)	Monthly revenue in 2016 (line 24 / 6)
26		(3,712,879)	(444,609)	Normalized 2016 revenues (line 25 * 12)
27				
28		301,462	13,390	Base Period Adjustment (line 26 - line 21)
29				
30	Note 1: The rates charged to collect joint use revenues are regulated by the FCC. PNM's rates charged under the FCC			
31	pricing structure declined in 2016. PNM normalized the 2016 joint use revenues to reflect the lower revenues			
32	expected to be collected from joint use customers. PNM does not expect a change in the volume of joint use			
33	customers.			
34				

	A	B	C	D	E
1	PNM Exhibit HEM - 4				
2	WP RC-6: Forecasted Deferral Payment for Test Period				
3	Hyperlink to Revenue Credit Lead Sheet				
4					
5					
6	kW	75,000			
7	Rate (Note 1)	\$ 2.70			
8					
9	Total 2018 Deferral		Balance		
10	Dec-17	-	(202,500)	Line 6 * line 7	
11	Jan-18	(16,875)	(185,625)		
12	Feb-18	(16,875)	(168,750)		
13	Mar-18	(16,875)	(151,875)		
14	Apr-18	(16,875)	(135,000)		
15	May-18	(16,875)	(118,125)		
16	Jun-18	(16,875)	(101,250)		
17	Jul-18	(16,875)	(84,375)		
18	Aug-18	(16,875)	(67,500)		
19	Sep-18	(16,875)	(50,625)		
20	Oct-18	(16,875)	(33,750)		
21	Nov-18	(16,875)	(16,875)		
22	Dec-18	(16,875)	-		
23	Total 2018 Deferral	(202,500)	-	RC-1, Column L	
24					
25	Note 1: Rate is based on PNM's current monthly point to point OATT rate,				
26	effective June 2016. Please see testimony of PNM Witness Mechenbier.				

PNM Exhibit HEM-4: Supporting Revenue Requirements Workpapers

WP AL

Is contained in the following 12 pages

	A	B	C	D	E
1	PNM Exhibit HEM - 4				
2	WP AL - Allocators Lead Sheet				
3					
4				<i>Provides Information To</i>	<i>Requires Information From</i>
5	<i>Tab Reference</i>	<i>Description</i>	<i>Purpose</i>	<i>Tab name</i>	<i>Tab name</i>
6	<u>AL-1</u>	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: COS Base	AL-2, AL-3 Manual inputs
7	<u>AL-2</u>	Adjusted Base Period Transmission Demand Allocators	Calculates transmission demand allocators for adjusted Base Period.	AL-1, AL-9	Manual inputs
8	<u>AL-3</u>	Sales Allocator	Calculates sales allocator for Base and Test Period.	AL-1, AL-4	Manual inputs
9	<u>AL-4</u>	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: COS Test	AL-3, AL-9 Manual inputs
10	<u>AL-5</u>	Base Period San Juan Participant Allocations	Calculates San Juan Generating Station Participant Credits for Adjusted Base Period	WP OM - SJGS O&M Workpaper.xlsx; WP SJGS-2, WP SJGS-3, WP SJGS-4 WP LA - Labor Workpaper.xlsx; WP LA-5, WP LA-6, WP LA-7	Manual inputs
11	<u>AL-6</u>	Test Period San Juan Participant Allocations	Calculates San Juan Generating Station Participant Credits for Test Period.	WP OM - SJGS O&M Workpaper.xlsx; WP SJGS-2, WP SJGS-3, WP SJGS-4 WP LA - Labor Workpaper.xlsx; WP LA-5, WP LA-6, WP LA-7	Manual inputs
12	<u>AL-7</u>	Base Period Wages and Salaries Allocator	Provides the summary data to calculate the Base Period Wages and Salary allocator.	PNM Exhibit HEM-3 COS.xlsx: COS Base	WP LA - Labor Workpaper.xlsx; WP LA-1, WP LA-4
13	<u>AL-8</u>	Test Period Wages and Salaries Allocator	Provides the summary data to calculate the Base Period Wages and Salary allocator.	PNM Exhibit HEM-3 COS.xlsx: COS Base, COS Test	WP LA - Labor Workpaper.xlsx; WP LA-1, WP LA-4
14	<u>AL-9</u>	Test Period Transmission Demand Allocators	Calculates transmission demand allocators for Test Period.	AL-4	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-4 Generation Demand		PNM Exhibit SC-4 Generation Energy		WP AL-2 Transmission Demand		WP AL-2 Transmission Demand without Network		WP AL-3 Sales	
5			PNM Retail	1,387	96.00%	9,061,279	95.34%	1,501	61.22%	1,501	77.12%	9,042,401	83.94%
6													
7			FERC Generation									628,134	5.83%
8			Gallup	-	0.00%	-	0.00%	-	0.00%	-	0.00%		0.00%
9			NEC	58	4.00%	443,025	4.66%	-	0.00%	-	0.00%		0.00%
10			Aztec	-	0.00%	-	0.00%	-	0.00%	-	0.00%		0.00%
11			Jicarilla	-	0.00%	-	0.00%	-	0.00%	-	0.00%		0.00%
12													
13			FERC Transmission	-	0.00%	-	0.00%	950	38.78%	445	22.88%		0.00%
14													
15													
16			Total FERC	58	4.00%	443,025	4.66%	950	38.78%	445	22.88%	628,134	5.83%
17													
18			Excluded		0.00%		0.00%		0.00%		0.00%	1,102,037	10.23%
19													
20			Total System	1,445	100.00%	9,504,304	100.00%	2,451	100.00%	1,946	100.00%	10,772,572	100.00%
21													
22													
23			Please refer to PNM Exhibit SC-4 for support of the generation demand and energy allocator.										

	A	B	O	P	Q	R
1	PNM Exhibit HEM-4					
2	WP AL 2 - Adjusted Base Period Transmission Demand Allocators					
3	Hyperlink to Lead Sheet					
4	General Note: The electronic version of this workbook uses the Microsoft Excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.					
5						
6		Peak Day				
7		Peak Hour				
8	Description	Notes	Total	Average	Allocated Percentage W/ Network	Allocated Percentage W/O Network
9	Retail Native Load					
10	Retail Native Load		17,386	1,449		
11	Add Adjustment for KAFB reading		621	52		
12	Net Transmission (Co 2) Native Load		18,007	1,501	61.22%	77.12%
13						
14	Wholesale NITS Load					
15	Western for Kirtland Air Force Base	Net of WAPA	621	52		
16	Tri-State G&T	Net of WAPA	3,559	297		
17	Los Alamos County	Net of WAPA	546	46		
18	City of Gallup	Net of WAPA	370	31		
19	Navopache Electric Cooperative	Net of WAPA	459	38		
20	City of Aztec	Net of WAPA	73	6		
21	NTUA		399	33		
22	Jicarilla Apache Nation		38	3		
23	Total Wholesale NITS Load		6,065	505	20.62%	0.00%
24						
25	Pre-OATT PTP Load					
26	El Paso Electric Company		-	-		
27	Western P0695 & 2425		1,907	159		
28	Navajo Agricultural Products Industry		27	2		
29	Total Pre-OATT PTP Load		1,934	161	6.57%	8.28%
30						
31	OATT Long Term Firm PTP					
32	Tri-State - Hidalgo-Greenlee		746	62		
33	PNMM SJ-Coronado		-	-		
34	B&B Argonne Mesa		1,119	93		
35	EPE FC-WM		1,293	108		
36	El Paso Electric Company		249	21		
37	Pacificorp		-	-		
38	Total Long Term Firm PTP		3,407	284	11.58%	14.59%
39						
40	Total Transmission Demand		29,413	2,451	100.00%	
41						
42	Total Transmission Demand Without Network		23,348	1,946		100.00%
43						

	A	B	O	P	Q	R
1	PNM Exhibit HEM-4					
2	WP AL 2 - Adjusted Base Period Transmission Demand Allocators					
3	Hyperlink to Lead Sheet					
4	General Note: The electronic version of this workbook uses the Microsoft Excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.					
5						
6		Peak Day				
7		Peak Hour				
8	Description	Notes	Total	Average	Allocated Percentage W/ Network	Allocated Percentage W/O Network
44						
45	Input Data					
78	With Losses					
79	Real Power Loss Rate	3.50%	Note: Real time power loss rate is posted in PNM's OATT			

	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 (Note 1)	Total	% Allocation
7						
8		PNM Retail (Excluding Economy Service Customers)	8,231,187	811,214	9,042,401	83.94%
9						
10		FERC Generation	428,690	199,444	628,134	5.83%
11		Excluded Sales (PV3)	-	1,102,037	1,102,037	10.23%
12		Total	8,659,877	2,112,695	10,772,572	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 (Note 1)	Total	% Allocation
20						
21		PNM Retail (Excluding Economy Service Customers)	8,102,251	1,968,448	10,070,698	95.82%
22						
23		FERC Generation	-	-	-	0.00%
24		Excluded Sales (SJ4 65 MW)	-	438,961	438,961	4.18%
25		Total	8,102,251	2,407,409	10,509,660	100.00%
26						
27						
28		Note 1: Please refer to PNM Exhibit HEM-4; WP Fuel-4 for Base Period MWh and 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-4 Generation Demand		PNM Exhibit SC-4 Generation Energy		WP AL-9 Transmission Demand		WP AL-9 Transmission Demand W/O Network		WP AL-3 Sales	
6	PNM Retail				1,451	100.00%	8,827,904	100.00%	1,504	51.82%	1,504	61.60%	10,070,698	95.82%
7														
8	FERC												-	0.00%
9	Gallup				-	0.00%	-	0.00%	-	0.00%	-	0.00%		
10	NEC				-	0.00%	-	0.00%	-	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%	1,399	48.18%	938	38.40%		
15														
16														
17	Total FERC				-	0.00%	-	0.00%	1,399	48.18%	938	38.40%	-	0.00%
18														
19	Excluded												438,961	4.18%
20														
21	Total System				1,451	100.00%	8,827,904	100.00%	2,903	100.00%	2,442	100.00%	10,509,660	100.00%

	A	B	C	D	E
1	PNM Exhibit HEM-4				
2	WP AL 5 - SJGS Base Period Participant Allocations				
3	Hyperlink to Lead Sheet				
4				Total Participant Ownership	PNM Ownership
5				Percentage	Percentage
6		SAN JUAN GENERAL	760	0.000%	100.000%
7		SAN JUAN UNIT 1	761	50.000%	50.000%
8		SAN JUAN UNIT 2	762	50.000%	50.000%
9		SAN JUAN UNIT 3	763	50.000%	50.000%
10		SAN JUAN UNIT 4	764	61.543%	38.457%
11		SAN JUAN COMMON U1 AND U2	765	50.000%	50.000%
12		SAN JUAN COMMON ALL UNITS	766	53.703%	46.297%
13		SAN JUAN COMMON U3 AND U4	767	55.881%	44.119%
14		VARIABLE FUEL ALLOCATION	768	53.570%	46.430%
15		100% TEP SOLELY OWNED	769	100.000%	0.000%
16		100% PNM SOLELY OWNED	770	0.000%	100.000%
17		100% LAC SOLELY OWNED	771	100.000%	0.000%
18		100% TRI SOLELY OWNED	772	100.000%	0.000%
19		100% MSR SOLELY OWNED	773	100.000%	0.000%
20		100% COF SOLELY OWNED	774	100.000%	0.000%
21		100% ANA SOLELY OWNED	775	100.000%	0.000%
22		SJ SWITCHYD 65% PNM - 35% TEP	776	35.000%	65.000%
23		100% UMP SOLELY OWNED	777	100.000%	0.000%
24		100% SCP SOLELY OWNED	778	100.000%	0.000%
25		SJ SWYD MISC 50% PNM-50% TEP	779	50.000%	50.000%
26		SJ SWYD CIRC BRKR 37.5% TEP	780	37.500%	62.500%
27		SJ SWYD CIRC BRKR 43.75% TEP	781	43.750%	56.250%
28		SJ SWYD MCKINLEY 1 94.64% TEP	782	94.640%	5.360%
29		SJ SWYD MCKINLEY 2 75% TEP	783	75.000%	25.000%
30		SJ SWYD 345/69/12KV 33.33% TEP	784	33.330%	66.670%
31		SJ SWYD 23KV CHSE 16.67% TEP	785	16.670%	83.330%
32		SJ SWYD 230/69KV TRF33.33% TEP	786	33.330%	66.670%
33		Post 2017 Coal Supply	787	36.104%	63.896%
34					
35	Note: San Juan participant percentages are based on ownership share in each location.				

	A	B	C	D	E	F	G
1	PNM Exhibit HEM-4						
2	WP AL 6 - SJGS Test Period Participant Allocations						
3	Hyperlink to Lead Sheet						
4				Total Participant Ownership	65 MW Unit 4 Ownership Percentage	PNM Ownership Percentage	
5				Percentage	Included in Participant Ownership	Excluding 65 MW SJ4	
6		SAN JUAN GENERAL	760	0.000%	0.000%	100.000%	
7		SAN JUAN UNIT 1	761	50.000%	0.000%	50.000%	
8		SAN JUAN UNIT 2	762	0.000%	0.000%	100.000%	
9		SAN JUAN UNIT 3	763	0.000%	0.000%	100.000%	
10		SAN JUAN UNIT 4	764	35.518%	12.815%	64.482%	
11		SAN JUAN COMMON U1 AND U2	765	50.000%	0.000%	50.000%	
12		SAN JUAN COMMON ALL UNITS	766	41.329%	7.673%	58.671%	Note 1
13		SAN JUAN COMMON U3 AND U4	767	35.518%	12.815%	64.482%	
14		VARIABLE FUEL ALLOCATION	768	53.570%	0.000%	46.430%	
15		100% TEP SOLELY OWNED	769	100.000%	0.000%	0.000%	
16		100% PNM SOLELY OWNED	770	0.000%	0.000%	100.000%	
17		100% LAC SOLELY OWNED	771	100.000%	0.000%	0.000%	
18		100% TRI SOLELY OWNED	772	100.000%	0.000%	0.000%	
19		100% MSR SOLELY OWNED	773	100.000%	0.000%	0.000%	
20		100% COF SOLELY OWNED	774	100.000%	0.000%	0.000%	
21		100% ANA SOLELY OWNED	775	100.000%	0.000%	0.000%	
22		SJ SWITCHYD 65% PNM - 35% TEP	776	35.000%	0.000%	65.000%	
23		100% UMP SOLELY OWNED	777	100.000%	0.000%	0.000%	
24		100% SCP SOLELY OWNED	778	100.000%	0.000%	0.000%	
25		SJ SWYD MISC 50% PNM-50% TEP	779	50.000%	0.000%	50.000%	
26		SJ SWYD CIRC BRKR 37.5% TEP	780	37.500%	0.000%	62.500%	
27		SJ SWYD CIRC BRKR 43.75% TEP	781	43.750%	0.000%	56.250%	
28		SJ SWYD MCKINLEY 1 94.64% TEP	782	94.640%	0.000%	5.360%	
29		SJ SWYD MCKINLEY 2 75% TEP	783	75.000%	0.000%	25.000%	
30		SJ SWYD 345/69/12KV 33.33% TEP	784	33.330%	0.000%	66.670%	
31		SJ SWYD 23KV CHSE 16.67% TEP	785	16.670%	0.000%	83.330%	
32		SJ SWYD 230/69KV TRF33.33% TEP	786	33.330%	0.000%	66.670%	
33		Post 2017 Coal Supply	787	36.104%	0.000%	63.896%	
34							
35							
36		Note 1:					
37		Under SJGS restructuring agreement, PNM is responsible for an incremental 4.037% of all SJ Common (location 766) charges. Pursuant to Case No. 13-00390-UT, PNM will not recover these costs from PNM retail customers. PNM has adjusted the participant credit allocation to remove this portion of O&M from the Test Period.					

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit HEM-4								
2	WP AL 7 - Base Period Wages and Salaries Allocators								
3	Hyperlink to Lead Sheet								
4									
5									
6	Category	Allocator	Adjusted Base Period Labor	PNM Retail	Renewables	FERC Wholesale	FERC Transmission	Total FERC	Excluded
7	Production Wages and Salaries	Prod W&S	23,308,727	22,118,429	197,162	993,136	-	993,136	-
8									
9	Transmission Wages and Salaries	Trans W&S	5,434,709	3,327,249	-	-	2,107,460	2,107,460	-
10									
11	Distribution Wages and Salaries	Dist W&S	13,255,064	13,255,064	-	-	-	-	-
12									
13	Customer Accounting	N/A	7,782,920	7,782,920	-	-	-	-	-
14									
15	Cust Service & Information	N/A	611,285	611,285	-	-	-	-	-
16									
17	Sales	N/A	3,696,565	3,102,864	-	215,542	-	215,542	378,160
18									
19	Administrative and General	N/A	4,245,227	3,916,960	-	24,536	303,730	328,266	-
20									
21	Total Wages and Salaries	Total W&S	58,334,497	54,114,771	197,162	1,233,214	2,411,190	3,644,403	378,160
22									
23									
24	Note: Please refer to PNM Exhibit HEM-4, WP LA-1 and WP LA-4 for wages and salaries inputs.								

	A	B	C	D	E	F	G	H	I
1	PNM Exhibit HEM-4								
2	WP AL 8 - Test Period Wages and Salaries Allocators								
3	Hyperlink to Lead Sheet								
4									
5									
6	Category	Allocator	Test Period Labor	PNM Retail	Renewables	FERC Wholesale	FERC Transmission	Total FERC	Excluded
7	Production Wages and Salaries	Prod W&S	29,112,963	26,616,587	172,705	-	-	-	2,323,671
8									
9	Transmission Wages and Salaries	Trans W&S	5,403,664	2,800,025	-	-	2,603,639	2,603,639	-
10									
11	Distribution Wages and Salaries	Dist W&S	11,683,427	11,683,427	-	-	-	-	-
12									
13	Customer Accounting	N/A	8,156,795	8,156,795	-	-	-	-	-
14									
15	Cust Service & Information	N/A	640,664	640,664	-	-	-	-	-
16									
17	Sales	N/A	3,874,232	3,712,415	-	-	-	-	161,817
18									
19	Administrative and General	N/A	4,272,648	3,866,275	-	-	394,379	394,379	11,994
20									
21	Total Wages and Salaries	Total W&S	63,144,393	57,476,188	172,705	-	2,998,018	2,998,018	2,497,482
22									
23									
24	Note: Please refer to PNM Exhibit HEM-4, WP LA-1 and WP LA-4 for wages and salaries inputs.								

	A	B	O	P	Q	R
1	PNM Exhibit HEM-4					
2	WP AL 9 - Test Period Transmission Allocators					
3	Hyperlink to Lead Sheet					
4	General Note: The electronic version of this workbook uses the Microsoft excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.					
5						
6	Description	Notes	Total	Average	Allocated Percentage W/ Network	Allocated Percentage W/O Network
7	Retail Native Load					
8	Retail Native Load (Note 1)		17,431	1,453		
9	Add Adjustment for KAFB reading		621	52		
10	Net Co 2 Native Load		18,052	1,504	51.82%	61.60%
11						
12	Wholesale NITS Load					
13	Western for Kirtland Air Force Base	Net of WAPA	621	52		
14	Tri-State G&T	Net of WAPA	2,961	247		
15	Kit Carson		597	50		
16	Los Alamos County	Net of WAPA	546	46		
17	City of Gallup	Net of WAPA	370	31		
18	Navopache Electric Cooperative		-	-		
19	City of Aztec		-	-		
20	NTUA		399	33		
21	Jicarilla Apache Nation		37	3		
22	Total Wholesale NITS Load		5,532	461	15.88%	0.00%
23						
24	Pre-OATT PTP Load					
25	El Paso Electric Company		-	-		
26	Western P0695 & 2425		1,907	159		
27	Navajo Agricultural Products Industry		27	2		
28	Total Pre-OATT PTP Load		1,934	161	5.55%	6.60%
29						
30	OATT Long Term Firm PTP					
31	Tri-State - Hidalgo-Greenlee		746	62		
32	PNMM SJ-Coronado		-	-		
33	B&B Argonne Mesa		1,119	93		
34	EPE FC-WM		1,293	108		
35	El Paso Electric Company		249	21		
36	Avangrid-El Cabo		2,220	185		
37	Broadview KW and JN (Note 2)		3,693	308		
38	Broadview Grady		-	-		
39	Pacificorp		-	-		
40	Total Long Term Firm PTP		9,320	777	26.75%	31.80%
41						
42	Total Transmission Demand		34,838	2,903	100.00%	
43						
44	Total Transmission Demand Without Network		29,306	2,442		100.00%
45						
46						

	A	B	O	P	Q	R
1	PNM Exhibit HEM-4					
2	WP AL 9 - Test Period Transmission Allocators					
3	Hyperlink to Lead Sheet					
4	General Note: The electronic version of this workbook uses the Microsoft excel outline function. This function groups the elements of cost, and or columns for print formatting purposes.					
5						
6	Description	Notes	Total	Average	Allocated Percentage W/ Network	Allocated Percentage W/O Network
47	Input Data					
85	With Losses					
86	Real Power Loss Rate	3.50%	Note: Real time power loss rate is posted in PNM's OATT			
87						
88	Note 1: PNM retail load is adjusted for Rate 36B in the Test Period.					
89	Note 2: Long Term PTP contracts reflect new contracts the Company is expected to execute prior to the start of the Test Period. Please refer to the testimony of PNM Witness Mechenbier for discussion on new transmission agreements.					