

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION)
OF PUBLIC SERVICE COMPANY OF NEW)
MEXICO FOR REVISION OF ITS RETAIL)
ELECTRIC RATES PURSUANT TO ADVICE)
NOTICE NO. 533)

Case No. 16-00276-UT

PUBLIC SERVICE COMPANY OF NEW)
MEXICO,)

Applicant)
_____)

DIRECT TESTIMONY

OF

SHEILA M. MENDEZ

December 7, 2016

NMPRC CASE NO. 16-00276-UT
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WITNESS FOR
PUBLIC SERVICE COMPANY OF NEW MEXICO

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AFFIDAVIT

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I. INTRODUCTION AND PURPOSE

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

A. My name is Sheila M. Mendez and I am employed by PNMR Services Company (“PNMR Services”), a wholly owned subsidiary of PNM Resources, Inc. (“PNMR”). PNMR Services was formed to house corporate shared services functions for PNMR and its subsidiaries, including Public Service Company of New Mexico (“PNM” or “Company”). I am the Director of Information Technology (“IT”) Program/Portfolio Management and Quality. My business address is 2401 Aztec Rd. NE, Albuquerque, New Mexico 87107.

Q. PLEASE DESCRIBE YOUR RESPONSIBILITIES AS DIRECTOR, IT PROGRAM/PORTFOLIO MANAGEMENT AND QUALITY.

A. I am responsible for the IT Portfolio and Program Management which includes the Program and Project Management Office (“PPMO”), portfolio management, project governance, continuous process improvement, and strategic planning. The PPMO is responsible for tracking and running all IT corporate programs and projects and ensuring the successful delivery of the IT assets. We manage the corporate capital budget for all IT projects. In addition I am responsible for IT Quality Assurance which includes IT Service Management (management of incident, problem, release, change, and configuration), quality control and Test Center of Excellence, process quality and governance, metrics, and audit compliance. A copy of my resume is attached as PNM Exhibit SMM-1.

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1 **Q. HAVE YOU PREVIOUSLY TESTIFIED IN UTILITY REGULATORY**
2 **PROCEEDINGS?**

3 **A.** Yes, I submitted pre-filed direct testimony on behalf of PNM in New Mexico
4 Public Regulation Commission (“NMPRC” or “Commission”) Case No. 15-
5 00261-UT, PNM’s last rate case (“2015 Rate Case”). My testimony was admitted
6 into evidence in that case without objection.

7

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

9 **A.** The purpose of my testimony in this proceeding is to describe the Company’s
10 corporate capital investments for the period from July 1, 2016, through the end of
11 the Test Period December 31, 2018¹, known as the Capital Investment Period.
12 Specifically, in the sections that follow, I:

- 13 1. Provide an overview of the type of corporate capital expenditures included
14 in the Company portfolio for these periods;
- 15 2. Describe PNMR’s corporate capital governance process for estimating and
16 budgeting investments, including how priorities are established and how
17 corporate capital budgets are monitored; and
- 18 3. Identify the Tier 1, Tier 2, and Tier 3 corporate capital investments
19 required during the Capital Investment Period and explain and support
20 why these investments are required for maintaining and enhancing

¹ The “Capital Investment Period” includes linkage data from July 1, 2016, through December 31, 2017, and continues through the Test Period ending December 31, 2018.

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1 Company facilities, computer systems and hardware, and the data and
2 voice networks.

3
4 **Q. PLEASE EXPLAIN THE VARIOUS CAPITAL COST LEVELS THAT**
5 **MAKE UP THE THREE TIERS.**

6 **A. The three capital cost tiers for purposes of corporate capital investments are as**
7 **follows:**

8 1. Tier 1 – projects with \$500,000 or more in clearings for the Capital
9 Investment Period.

10 2. Tier 2 – projects with more than \$100,000 and less than \$500,000 in
11 clearings for the Capital Investment Period.

12 3. Tier 3 – projects with \$100,000 or less in clearings for the Capital
13 Investment Period.

14
15 **Q. HOW DOES YOUR TESTIMONY RELATE TO THE TESTIMONY**
16 **PRESENTED BY OTHER COMPANY WITNESSES?**

17 **A. My testimony supports the testimony of PNM Witness Monroy which addresses**
18 **budget estimates for the corporate capital investments included in the Test Period**
19 **revenue requirements, capital budgeting process, capital loads, and how corporate**
20 **shared service costs are allocated to the appropriate subsidiary.**

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II. SUMMARY OF KEY CONCLUSIONS

Q. WHAT ARE YOUR KEY CONCLUSIONS?

A. Overall, I conclude that:

1. The corporate capital investments of \$78.1 million during the Capital Investment Period are required to maintain Company facilities, equipment, reliable computer systems, and telecommunications network. In addition, these investments provide the business with additional capabilities through the use of modernized technology so the Company can continue to serve customers in the most efficient manner.
2. There is a thorough and robust capital budgeting, prioritization, selection, and trade-off process for the corporate capital investments portfolio.
3. Only capital investments that benefit the Company's New Mexico retail customers are included in the proposed rate base. Projects that benefit multiple PNMR subsidiaries are labeled with a "location code" to ensure that the appropriate allocated costs and depreciation are directed to the correct subsidiary. Please refer to the testimony of PNM Witness Monroy for how allocated costs are applied.
4. In the utility industry, technology changes rapidly. During the budget process we have a general understanding of what business capabilities we are trying to achieve. However, due to rapid technology advancements, the solutions are generally not locked in up front but are determined as close to actual implementation as practical to help insure the optimum solution.

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1 In addition, various events can occur during the budget year that may
2 require business priorities to change and new investments to be identified
3 to meet those new business needs. The identification of new programs
4 and projects may result in adjustments to the project portfolio and
5 schedules. PNM Witness Monroy discusses the quarterly capital reforecast
6 process.

7
8 **III. OVERVIEW OF CORPORATE CAPITAL EXPENDITURES**

9 **Q. PLEASE DESCRIBE THE TYPE OF INVESTMENTS INCLUDED IN**
10 **THE CORPORATE CAPITAL BUDGET.**

11 **A.** The corporate capital budget includes two types of investments. First are
12 expenditures related to IT software and hardware assets that require maintaining,
13 upgrading, and enhancing, in addition to implementing new technology solutions;
14 these are known as Technology Projects. The second are expenditures to
15 maintain, update, and expand Company facilities, equipment and furniture; these
16 are known as General Services Projects.

17
18 **Q. PLEASE ELABORATE ON THE TYPES OF TECHNOLOGY**
19 **INVESTMENTS.**

20 **A.** Capital investments in IT in the corporate budget generally benefit the enterprise
21 as a whole, but they also include some specific technology projects that benefit
22 individual subsidiaries. These investments can include upgrading and updating

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1 hardware platforms and application and operating systems (also known as life
2 cycle management), enhancing the data and voice network to support the
3 business, implementing updated cybersecurity patches that address security risks
4 and the North American Electric Reliability Corporation (“NERC”) requirements,
5 and introducing new tools and systems that provide the business with new
6 capabilities. Capital investments in the NERC Critical Infrastructure Protection
7 (“CIP”) requirements, specifically CIP-002 through CIP-014, aim at protecting
8 the reliability of the Bulk Electric System through implementation of a variety of
9 rigorous cybersecurity measures such as: security management controls, access
10 management, electronic security perimeters, physical security technology, and
11 malicious code prevention.

12
13 **Q. PLEASE DESCRIBE THE TYPES OF GENERAL SERVICES**
14 **INVESTMENTS.**

15 **A.** General Service investments in the corporate budget are related to maintaining,
16 updating and expanding facilities, equipment or furniture for both PNMR and
17 individual subsidiaries. These investments often address NERC, safety,
18 regulatory compliance, ergonomic or space capacity issues, as well as maintaining
19 building assets and acceptable operating conditions.

20
21 **Q. PLEASE DEFINE “PROJECTS”, “PROGRAMS”, AND “PORTFOLIOS”.**

22 **A.** There are differences in how these terms are defined and applied. The Project
23 Management Institute (“PMI”) was established in 1969 and is the world’s largest

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1 non-profit professional membership association for the project management
2 profession. PMI has developed globally recognized standards for project
3 management and has defined these terms as follows:

- 4 1. Projects are temporary in that they have a defined beginning and end and
5 therefore have a defined scope and known resource requirements. In
6 addition, a project is unique in that it is not a routine operation, but a
7 specific set of operations designed to accomplish a particular goal.
- 8 2. Programs are a group of related projects managed in a coordinated way to
9 obtain benefits and control not available from managing the projects
10 individually.
- 11 3. A Project Portfolio is a collection of programs and projects for an
12 organization created to meet the company's strategic business goals.

13
14 **IV. CORPORATE CAPITAL GOVERNANCE PROCESS**

15 **Q. ARE THERE COMPANY COMMITTEES THAT OVERSEE THE**
16 **CORPORATE CAPITAL INVESTMENTS?**

17 **A.** Yes, there are three different committees that govern the capital investments for
18 technology and general services. These are the Enterprise Technology Steering
19 Committee ("ETSC") and two Capital Allocation Teams ("CATs").

20 1. For technology investments, the ETSC:

- 21 a) consists of members who are vice presidents across the multiple lines
22 of business;

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- 1 b) governs the technology strategy and roadmap;
- 2 c) provides guidance to the ETSC Management Team on strategic issues;
- 3 and
- 4 d) ensures the business and technical resources are working on the most
- 5 important initiatives based on the Company's priorities.

6 2. For technology investments, the IT Capital Allocation Team ("iCAT"):

- 7 a) consists of voting members who are directors and above in IT and
- 8 across the business who are responsible for reviewing and approving
- 9 technology capital business cases under \$10 million; and
- 10 b) tracks technology capital investments and approves project trade-offs
- 11 to achieve objectives for the Company.

12 3. For facilities, equipment and furniture investments, the Facilities Capital

13 Allocation Team ("fCAT"):

- 14 a) works with key business representatives to identify facility needs,
- 15 recommend solutions, coordinate approvals and establish defined
- 16 scope, costs and timelines for all deliverables;
- 17 b) tracks the progress on investments, reprioritizes projects and approves
- 18 project trade-offs to achieve the objectives for the Company; and
- 19 c) ensures that solutions meet required ordinances like: zoning, building
- 20 code compliance, and the Americans with Disabilities Act.

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1 **Q. HOW ARE PROPOSED CAPITAL INVESTMENTS IDENTIFIED?**

2 **A.** There are two avenues by which corporate capital investments are identified. The
3 first is the Annual Operating Plan (“AOP”) cycle and the second is through “pop-
4 ups” which can occur throughout the year.

5
6 Annually, through the AOP cycle, investments that are on the current 5-year
7 budget portfolio are reviewed to determine if they should remain on the portfolio.
8 Inquiries also go out to the business units for inclusion of investments that align
9 with their business strategy plans. Pop-ups are new projects that are identified
10 and proposed based on a newly discovered need or opportunity outside of the
11 AOP process. Pop-ups are documented, justified, and prioritized against the rest
12 of the portfolio.

13
14 **Q. HOW DOES ICAT PRIORITIZE INVESTMENTS?**

15 **A.** iCAT has a prioritization methodology that requires the collection of certain
16 investment criteria that apply a point system using criticality and weighting,
17 which produces a total investment score. The ETSC Management Team uses
18 these scores as a guideline when prioritizing and justifying the project portfolio
19 during the AOP cycle and also when considering trade-off projects. However,
20 they can and sometimes do consider other relevant business criteria in
21 combination with the total investment score to determine the appropriate priority
22 and formulate a recommendation to iCAT. iCAT then reviews and approves the
23 AOP project portfolio and any trade-offs during the year. If iCAT shifts funds

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1 from one project or program to another, they ensure the entire portfolio of
2 investments do not exceed the PNMR Board (“Board”) approved capital budget.
3

4 **Q. HOW DOES FCAT PRIORITIZE INVESTMENTS?**

5 **A.** fCAT utilizes the institutional knowledge and the experience of the General
6 Services manager, building maintenance supervisor, and corporate security
7 supervisor to prioritize investments based on age of building systems, previous
8 complications or reliability issues, NERC or regulatory compliance issues, safety
9 concerns, or unavailability of repair parts for equipment.
10

11 **Q. PLEASE DESCRIBE HOW CAPITAL INVESTMENTS ARE**
12 **ESTIMATED.**

13 **A.** Depending on the type and complexity of the project, estimates for capital
14 investments are derived based on a combination of current vendor quotes,
15 research, Subject Matter Experts (“SMEs”) inputs, or using historical data from
16 similar projects and trends.

- 17 1. For General Service investments, vendor quotes are often used based on
18 equipment and external labor costs. For example, for the former Aztec
19 Security Equipment Upgrade, two vendors provided hardware cost
20 replacement estimates for equipment and labor costs for design,
21 installation and maintenance with adjustments for IT labor. This same
22 type of estimate could be used for security equipment outside of
23 Albuquerque as adjusted for location.

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1 2. For technology investments, generally when opportunities are identified
2 they are classified as a technology blanket, an upgrade to existing systems,
3 or implementation of a new solution. Technology blankets are estimated
4 based on the quantity of equipment to be replaced and current run rates for
5 that type of equipment. Also, the previous year's spending on blankets is
6 used as a guideline in setting the following year's estimate. Upgrades to
7 existing systems are generally estimated based on historical upgrades of a
8 similar nature. For example, on the TIBCO Platform Upgrade (which I
9 describe later in my testimony), actual costs from previous platform
10 upgrades were used as a data point for estimating the new platform
11 upgrade. Current cost estimates were provided by SMEs from the
12 Applications and Enterprise Systems and Storage teams and allocated
13 across the materials, labor, and outside services in a similar fashion. For
14 new solutions, because technology is rapidly changing, the
15 product/solution is generally not identified up front so a high-level
16 estimate is developed based on initial product research. For example,
17 when purchasing a new Next Generation Mobility ("EMM") solution,
18 product costs were researched through the internet/research firm (like
19 Corporate Executive Board) and a vendor quote was received from a
20 known supplier to use as a basis for estimating materials. Labor costs
21 were estimated using one-third costs internal and two-third costs external
22 then adjusted accordingly. General expenses are typically less than five
23 percent of the total project cost.

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1 **Q. WHAT ARE SOME OF THE FERC COST TYPES THAT ARE USED IN**
2 **THE BUDGETING FOR TECHNOLOGY AND GENERAL SERVICE**
3 **CAPITAL INVESTMENTS?**

4 **A.** The FERC cost types used in PNM budgeting are enumerated in the testimony of
5 PNM Witness Monroy, specifically PNM Exhibit HEM-8. Some of the common
6 cost types used for budgeting these capital investments include:

- 7 • **110 and 120 Internal labor:** This includes all labor performed by PNMR
8 Services or PNM employees from planning through to asset
9 commissioning. As mentioned above, an assumption is made during the
10 estimating process as to who will perform the work (internal or external
11 labor). As the project gets closer in time, this assumption is reviewed and
12 revised based on current staff availability.
- 13 • **350 Materials and Equipment:** This cost type includes all major
14 materials and equipment which are typically purchased, including such
15 things as building materials, furniture, hardware and software.
- 16 • **370 Outside Services, 274 Legal, 377 Temporary Labor:** These cost
17 types include all professional services contracted to aid with the
18 implementation of the asset and any legal expenses associated with
19 executing vendor contracts. For General Service projects, services may
20 include appraisal support, engineering, materials testing, construction and
21 construction monitoring. For technology projects, contingent workforce
22 and consultants may be contracted to perform services such as: planning,
23 developing, implementing, testing, and deploying the technology asset.

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- 1 • **610 Expenses – General:** This cost type includes all general expenses to
2 cover supplies, fees, incremental expenses, training, and employee
3 expenses such as travel, meals, and lodging related to the project.
4

5 **Q. PLEASE DESCRIBE HOW CAPITAL INVESTMENT ESTIMATES ARE**
6 **UPDATED.**

7 **A.** During the planning phase in the project management lifecycle, business and
8 functional requirements are mapped, products and contractors are evaluated and
9 chosen, project and resource plans are outlined, and then original project cost
10 estimates and clearings are updated with more accurate information. As the
11 project progresses, actual project costs and clearings are tracked monthly against
12 the AOP budget and then re-forecasted each fiscal quarter based on any
13 adjustments to project costs and clearing dates. In a collective effort between
14 PNM's Finance Group and IT or General Services, the re-forecasted costs and
15 clearings are updated in the respective budget system.
16

17 **Q. HOW ARE CAPITAL INVESTMENTS BUDGETED?**

18 **A.** Corporate capital allowances are set annually as described by PNM Witness
19 Monroy. Every need for investment is identified and each CAT evaluates and
20 prioritizes the investments to determine if they should be included in the portfolio
21 as an individual project or be included within a program. Once the CAT approves
22 the investment for inclusion in the portfolio, a location code is identified ensuring
23 the costs of the project are appropriately allocated to the subsidiary receiving the

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benefit from the capital project. This process is described in detail in the testimony of PNM Witness Monroy. A final capital investment plan is prepared and submitted to senior management for consideration and approval.

Q. HOW ARE ALTERNATIVE SOLUTIONS EVALUATED FOR ICAT INVESTMENTS?

A. For corporate technology projects, the formal project management methodology from the PMI is followed, which includes stages of: Initiation, Planning, Execution, Monitoring and Control, and Closeout.

1. During the planning stage, the team documents the business requirements for the project and the team uses those requirements to determine if the appropriate path is either to upgrade the technology or seek out a new/replacement technology;

2. If it is determined to seek a new or replacement technology, then functional requirements are drafted, the Company Supply Chain Procurement Group is engaged during the request for proposals ("RFP") stage to draft the RFP to send to vendors in the industry, thus allowing the team to evaluate alternative product solutions and system integrators;

3. Vendor responses are reviewed and scored, product demonstrations conducted, market terms and conditions are negotiated with the vendor and the team makes the final decision on the solution and/or system integrator to pursue.

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1 **Q. HOW ARE ALTERNATIVE SOLUTIONS EVALUATED FOR FCAT**
2 **INVESTMENTS?**

3 **A.** For General Service projects, often an RFP is issued for product solutions and
4 contractors to perform the work. Alternative solutions are evaluated using cost,
5 complexity, resource availability, compliance and time. Where an RFP is not
6 required, the Company can chose to award the project to an existing vendor or
7 purchase products from suppliers under a current contract. Both internal and
8 external subject matter experts are involved in the decision-making process.

9

10 **Q. HOW DOES THE COMPANY ESTABLISH IN-SERVICE DATES FOR**
11 **ENTERPRISE CAPITAL INVESTMENTS?**

12 **A.** The Company sets in-service dates and estimates budget clearings based on
13 historical trend data and anticipated project start date and duration. However,
14 given that technology projects are more fluid and business priorities and resource
15 availability change during the year, in-service dates and clearings are adjusted
16 accordingly. Not all projects necessarily meet the original in-service dates;
17 however the Company has been successful in reforecasting those original in-
18 service dates when more data is received through the project life cycle.

19

20 Where necessary, the Company's General Services team works with other
21 Company business units (Finance, Budget, and Procurement) to adjust schedules
22 as needed for best completion of the project. The Company may have to redirect
23 manpower and capital to other emergent projects which can have an impact on in-

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1 service dates. An in-service date may also be delayed on a project due to
2 unforeseen circumstances such as weather or vendor delays, but the approved
3 capital budget for the period will not change because of trade-offs.

4
5 **Q. WHAT IS A “TRADE-OFF” AND HOW DOES THE COMPANY HANDLE**
6 **“TRADE-OFFS”?**

7 **A.** A “Trade-off” happens when one project is postponed, cancelled, or the expenses
8 or scope of the project are reduced and the capital dollars are shifted to one or
9 more other projects. This can occur in the overall portfolio or within a specific
10 program. During the year the business priorities and resource availability may
11 change requiring the Company to redirect labor and capital toward other emergent
12 projects. Flexibility is necessary to ensure the management of unforeseen events
13 and necessary unbudgeted expenses that can arise during the year. A process is in
14 place for managing mid-year changes or “trade-offs” to ensure the funding of
15 necessary, but unbudgeted, capital expenditures, while not exceeding the Board-
16 approved capital budget. Within a program, the projects can be traded-off while
17 not exceeding the program budget. The process requires documentation to justify
18 the new expenditure, the identification of a budgeted project expenditure that will
19 be reduced to accommodate the new expenditure, and proper approvals. As a
20 result of this process, some projects may be delayed while others are accelerated
21 but the total amount of capital invested during the budget period will not change.

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1 **Q. HOW ARE CAPITAL INVESTMENTS TRACKED?**

2 **A. Both CAT committees have monthly meetings to review the following:**

3 1. For total and individual investments, the committees track the monthly
4 and year-to-date spending and clearings in comparison to the budgeted
5 projections (also known as variances).

6 2. At times, the committees have the project manager attend the meetings to
7 provide a status on high profile or critical projects.

8

9 **V. CORPORATE CAPITAL INVESTMENTS DURING THE CAPITAL**
10 **INVESTMENT PERIOD**

11 **Q. WHAT TOPICS DO YOU ADDRESS IN THIS SECTION OF YOUR**
12 **DIRECT TESTIMONY?**

13 **A. PNMR's capital investment program is focused on addressing the key needs of**
14 regulatory compliance, safety and security, reliability, operational efficiency and
15 aging technology and facilities. In this section of my testimony, I address
16 PNMR's more significant capital investments for technology and facilities during
17 the Capital Investment Period and summarize the justification for these
18 investments. Specifically, I address the technology and general service blankets
19 and the Tier 1 individual corporate capital technology and general service
20 projects. The Enterprise Asset Management ("EAM") program is the largest
21 corporate program on the portfolio and I will describe it in further detail later in
22 my testimony due to its uniqueness. The Tier 2 and Tier 3 corporate capital

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projects are summarized in the testimony below and details are listed in PNM Exhibit SMM-3 and PNM Exhibit SMM-4.

Q. WHAT IS THE TOTAL CORPORATE CAPITAL BUDGET THROUGH THE END OF THE TEST PERIOD?

A. The Capital Project Clearings below in Table SMM-1 represent the Linkage and Test Period for the corporate capital budget. Note that the programs and projects only include clearings that will occur during the identified time periods.

**Table SMM-1
Corporate Capital Costs For the Capital Clearing Period by Tier**

Classification	Capital Investment Period			
	Tier 1	Tier 2	Tier 3	Totals
General Service Blankets	\$ 3,960,025	\$ 338,844		\$ 4,298,869
General Service Projects	\$ 645,840			\$ 645,840
Technology Blankets	\$ 4,258,938	\$ 1,531,816		\$ 5,790,754
Technology Projects	\$ 61,139,126	\$ 5,854,920	\$ 373,820	\$ 67,367,866
Totals	\$ 70,003,929	\$ 7,725,580	\$ 373,820	\$ 78,103,329

A. Blankets – Technology and General Services

Q. PLEASE DESCRIBE WHAT IS MEANT BY A “BLANKET” TECHNOLOGY CAPITAL INVESTMENT.

A. Technology blankets, also known as Computer Platform Refresh (“CPR”), include materials and labor for design and installation for aging infrastructure that needs to be regularly replaced to maintain the reliability of the computer systems and telecommunications network. While technology blankets represent only

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1 7.4% of the total corporate capital investment during the Capital Investment
2 Period, the need for these investments is pertinent to the upkeep of aging
3 infrastructure, ensuring we maintain the reliability of the corporate network and
4 technology used by the Company. Each technology blanket generally is open for
5 twelve months each calendar year to accommodate the equipment purchases and
6 installation needed for that year.

7
8 **Q. PLEASE DESCRIBE THE TECHNOLOGY BLANKETS TO BE**
9 **COMPLETED THROUGH THE END OF THE TEST PERIOD AND THE**
10 **FACTORS DRIVING THE NEED FOR EACH.**

11 **A.** The following is a summary of the significant technology blankets:

12 1. Computer Platform Refresh (CPR) PC (ID# 96829717, 96829718, 9642016):

13 The estimated clearings of \$1,662,477 include materials and installation
14 related to replacing aging employee workstation equipment such as: personal
15 computers (“PCs”), monitors, cables, keyboards, upgrading memory and hard
16 disk space, and the like. Replacement of PCs is on a four-year cycle;
17 generally, manufacturers retire platforms every year to two years but include a
18 three year warranty period on new hardware, which is the manufacturer’s
19 standard. Costs are estimated based on the installation and configuration of
20 the new hardware and Company PC image. A PC image is a Company
21 standard desktop set-up used for all PNM computers that has all the standard
22 applications and settings. The primary drivers for replacing this equipment
23 include: a) increase end-user productivity, b) reduction of downtime and end-

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1 user frustration with problematic hardware, c) support Commercial Off The
2 Shelf applications that require new platforms with specific requirements to
3 ensure the software runs properly, and d) prevention of security violations and
4 virus infections.

5
6 2. Computer Platform Refresh (CPR) Servers/Storage (ID# 96828917,
7 96829616, 96828918): The estimated clearing of \$2,392,445 includes the
8 materials and installation related to replacing aging computer servers and
9 adding data storage capacity. Replacement of servers is on a four- to five-year
10 cycle. We track end-of-life and end-of-support dates from each manufacturer
11 that aid in determining when a server is up for replacement. In addition, if a
12 server has demonstrated an abnormal number of hardware errors/defects, it
13 too is placed on the list for replacement. The primary drivers for replacing
14 this equipment include: a) ensuring we have servers that are still under
15 warranty thus reducing overhead and vendor support, b) reduction of license
16 costs, c) conformity with new application requirements, d) mitigation of
17 cybersecurity threats, and e) to account for normal organic growth in the
18 business that requires resource adjustments.

19
20 3. Computer Platform Refresh (CPR) Telecom (ID# 96328018, 96328017,
21 96328416): The estimated clearings of \$1,322,688 include materials and
22 installation related to replacing commodity equipment (such as switches,
23 routers, firewalls, and the like) and for circuit carrier-grade equipment (such

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1 as power supplies) that support voice and data communications for the
2 Company. Replacement of telecommunication commodity equipment
3 averages a three- to five-year cycle based on manufacturer end-of-life/end-of-
4 support dates in the attempt to stay aligned with the vendor. The carrier-grade
5 equipment has a longer replacement cycle of more than five years; however,
6 equipment can break in between that cycle requiring it to be replaced
7 immediately to maintain operations. The primary drivers for replacing this
8 equipment include: a) ensuring PNM maintains a good service level on voice
9 and data communications between computer systems and Company facilities;
10 b) ensuring high equipment availability; c) ensuring equipment is under
11 warranty and supported by the vendor; d) NERC compliance; and e)
12 mitigation of cybersecurity threats and compliance with new industry security
13 protocols.

- 14
- 15 4. Computer Platform Refresh (CPR) Enterprise Software (ID# 96828417,
16 96828418): The estimated clearings of \$413,144 include materials and
17 installation related to replacing core software used to run the various software
18 platforms and end-user systems which will be at end of life and out of
19 warranty. Examples of software include: Adobe, Red Hat, Linux, Citrix and
20 various Oracle products. This software is considered critical Company assets,
21 and from a risk management perspective, these software packages must
22 remain current and under vendor warranty to a) mitigate cybersecurity threats

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1 and ensure compliance with new industry security protocol and b) account for
2 normal organic growth in the business that requires resource adjustments.

3
4 **Q. PLEASE DESCRIBE WHAT IS MEANT BY A “BLANKET” GENERAL**
5 **SERVICES CAPITAL INVESTMENT.**

6 **A.** General Service blankets include materials and labor for design and installation to
7 maintain aging facilities and equipment that must be regularly replaced to
8 maintain the reliability of the facilities, equipment, or necessary to meet federal
9 NERC guidelines. The General Service blankets represent 5.5% of the total
10 corporate capital investment during the Capital Investment Period.

11
12 **Q. PLEASE DESCRIBE THE GENERAL SERVICE BLANKETS TO BE**
13 **COMPLETED THROUGH THE END OF THE TEST PERIOD AND THE**
14 **FACTORS DRIVING THE NEED FOR EACH.**

15 **A.** The following is a summary of the significant General Service blankets:
16 1. Downtown Building Improvements (ID# 97730515). The estimated clearings
17 of \$1,845,227 include materials and installation of facility improvements
18 (electrical, plumbing, HVAC, roofing, etc.) at the Albuquerque Downtown
19 Headquarters complex to ensure the asset life is extended and complies with
20 current safety regulations. Examples of projects include: 1) Phase 2
21 Headquarters Elevator Replacement; 2) Headquarters Building
22 Communication System; 3) Conference Center Renovation; and 4) Unified

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1 Power Supply (“UPS”) Battery Replacement. For 2018, the proposed project
2 is the Headquarters Building Sign Replacement.

3
4 2. Downtown Security and NERC Equipment Upgrades (ID# 97730514). The
5 estimated clearings of \$1,322,982 include materials and installation of
6 security equipment improvements and upgrades at the Albuquerque
7 Headquarters downtown facility to ensure the asset life is extended and
8 complies with current federal NERC guidelines. Examples of projects
9 include: 1) Headquarters Building Security Upgrades; 2) Employee Parking
10 Structure Security and Safety Upgrades; 3) Security Video Storage Upgrades;
11 4) Warehouse Security upgrades in Belen, Deming, and Silver City; and 5)
12 NERC Security Operations Center System move.

13
14 3. Santa Fe Building Improvements (ID# 94230815). The estimated clearings of
15 \$791,816 include materials and installation of facility improvements
16 (electrical, plumbing, HVAC, roofing, etc.) at the Santa Fe Service Center
17 complex to ensure the asset life is extended and complies with current safety
18 regulations. Examples of projects include: 1) The Genset replacement which
19 adds back-up generator capacity to provide power in the event of an outage; 2)
20 installation of a new supervisory controller and interface workstation with
21 monitor and report writer; and 3) new water source heat pumps which will be
22 wired and installed along with networked thermostats.

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1 4. Santa Fe Security Equipment Upgrades (ID# 94233315). The estimated
2 clearings of \$201,321 include materials and installation of security equipment
3 improvements at the Santa Fe Service Center complex to ensure the asset life
4 is extended and complies with current federal NERC guidelines. An example
5 project includes replacing the perimeter fence which is essential to the
6 security of the complex.

7
8 5. Graphics Equipment (ID# 97733116). The estimated clearings of \$137,523
9 include the replacement of obsolescent or non-supported graphics and
10 mailroom equipment. Examples include: 1) replacing the MICR Check
11 Printer; 2) replacing the mailroom scanning equipment; and 3) replacing the
12 mailroom shrink wrap machine.

13
14 ***B. Specific IT and General Services Projects***

15 **Q. PLEASE DESCRIBE THE SPECIFIC TIER 1 CORPORATE PROJECTS**
16 **TO BE COMPLETED THROUGH THE END OF THE CAPITAL**
17 **INVESTMENT PERIOD AND THE FACTORS DRIVING THE NEED**
18 **FOR EACH.**

19 **A.** Below is a description of the Tier 1 corporate specific projects which represent
20 37% of all corporate projects and account for 79% of corporate capital cost
21 clearings. Tier 1 projects are those with \$500,000 or more in clearings for the
22 Linkage and Test periods.

23 1. Budget Tool Improvements (ID# 91128416); Clearings \$2,446,904.

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1 The current budget system, Hyperion Planning, needs to be updated or
2 replaced in order to provide improved performance, efficiency and
3 automation. The new solution will support the AOP budgeting process,
4 quarterly reforecasts, documentation for rate cases, forecast vs. actual
5 analytics and other PNMR forecasting efforts. The existing infrastructure
6 is outdated. The version of Hyperion used by PNM is no longer supported
7 by the product vendor Oracle and is not compatible with “modern”
8 hardware and operating systems. Inherent risks of not doing this project
9 include continued use of an older system with limited capabilities,
10 continuing to experience infrastructure life cycle issues and continuing
11 manual processes to pull data needed to compile information for internal
12 reporting and rate cases.

13
14 2. PNM Bulk Power – Program 2018 (ID# 94628318); Clearings \$2,395,392.

15 The 2018 program upgrades and enhances PNM Generation IT systems
16 and processes that support Generation Plant and Wholesale Power
17 Marketing (“WPM”) performance and reliability, managing plant water
18 and fuel assets, and helping to achieve optimal plant resource portfolio
19 utilization and investments. Continued upgrade and modernization of
20 these systems are required to maintain and improve operational
21 efficiencies at WPM, as well as the San Juan, Afton and Reeves
22 Generation Plants.

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1 3. Data Center Network Refresh (ID# 96832514); Clearings \$1,942,439.

2 This multi-year project that started in 2014 replaces/upgrades
3 infrastructure core switches and firewalls in the data center up to ten years
4 old and at end of life (normal obsolescence is three to five years).
5 Additionally, the new equipment to be installed will be segmented to
6 enhance overall network security, and eliminate the risk of having one
7 data center and one single point of failure.

8
9 4. NM/TX Voice System Replacement (ID# 96328314); Clearings

10 \$1,508,229. The replacement of the New Mexico and Texas voice
11 systems replaces out-of-date and unsupported Private Branch Exchange
12 ("PBX") and telephone key systems with modern Voice over Internet
13 Protocol ("VOIP") technology. Many of the PBX and key systems
14 throughout the Company's service territories in New Mexico and Texas
15 are hardware-oriented systems fifteen years old and older. These assets
16 have fully depreciated, and are no longer supported by the product
17 vendors. Migrating to current VOIP technology will reduce overall
18 support and maintenance costs, and provide us greater mobility, flexibility,
19 and performance. Costs associated with Texas are not being allocated to
20 PNM. Only the assets belonging to PNM are included in this rate case.

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1 5. MS Enterprise License Agreement (ID# 96828117); Clearings \$1,471,463.

2 As outlined in PNM's contract with Microsoft ("MS"), every three years
3 the enterprise agreement must be re-evaluated and renewed to continue to
4 use existing end-user computer and server products installed in the PNMR
5 environment, upgrade to new versions of those products, and acquire new
6 MS products not currently covered under the agreement. A few examples
7 of these products include: MS Office Suite, MS Lync, MS Windows
8 Server, and MS Exchange.

9
10 6. Legacy EAM App - PowerPlan Upgrade (ID# 91128016); Clearings
11 \$1,363,875. In parallel to the deployment of the EAM solution, new
12 requirements and functionality were identified to be incorporated into
13 PNMR's version of PowerPlan, including the acquisition of the IBM
14 Maximo for Utilities ("Maximo") PowerPlan adaptor. These
15 enhancements to the PowerPlan product are required to ensure a
16 successful two way integration with Maximo.

17
18 7. Legacy EAM App – ArcFM & ArcGIS Upgrades (ID# 94128016);
19 Clearings \$1,365,557. Within the EAM program, business requirements
20 were identified to integrate the EAM solution with Geographic
21 Information Systems ("GIS"). The integration with GIS will result in
22 improved asset management capabilities. In addition to enabling maps
23 within the Maximo asset management system, a GIS based inspection

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1 solution will replace four stand-alone inspection solutions. This Maximo
2 and ArcGIS Runtime integrated solution will enable the business to
3 perform consolidated field inspections on assets using mobile devices with
4 enhanced map functionalities, such as full offline mode. In parallel to the
5 deployment of the EAM solution, this project implements required
6 enhancements to ArcFM Designer solution to support multiple interfaces
7 with IBM Maximo for Utilities, including Compatible Units (“CU”)
8 Estimator, CU Library, and Work Orders.

9
10 8. Oracle BIFS (ID# 94128114); Clearings \$1,148,961. This project
11 implements the Oracle BIFS - Business Intelligence Foundation Suite - for
12 Financials and Human Resources (“HR”), and integrates directly with the
13 current PeopleSoft Financials and HR system. The key driver for this
14 project is to standardize business intelligence and reduce proliferation of
15 one-off reporting solutions in the environment. Ultimately, reporting
16 using a PeopleSoft-compatible tool lowers overall support costs for both
17 BTS and the CFO group.

18
19 9. TIBCO Platform Upgrade (ID# 96828015); Clearings \$975,987. TIBCO
20 Business Works is the main platform for PNMR’s Service-Oriented
21 Architecture (“SOA”). SOA is an IT foundational software that connects
22 the Company’s systems and applications to allow data and information to
23 be accessible. The main driver for the upgrade is to keep the integration

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1 platform updated with the current version supported by the vendor and
2 remain in compliance with the product support agreement.
3 Implementation to the latest product version will also provide a new
4 TIBCO Enterprise Administration portal which will allow the capability to
5 view status of services, performance, and increase the visibility into
6 integration activities, thus ensuring the Company maintains system
7 integration in an uninterrupted and seamless manner.

8
9 10. Windows 7 EOL Upgrade (ID# 96828317); Clearings \$895,576. This
10 project replaces the Windows 7 operating systems (“OS”) on all Company
11 desktop and laptop computers with Microsoft’s Windows 10 OS standard.
12 The primary driver for this upgrade is to ensure that Company end-user
13 computers are supported by the vendor and in compliance with the MS
14 Enterprise support agreement. If the OS is not updated, the Company
15 would be vulnerable to potential security risks for network intrusions and
16 cybersecurity incidents, as the Windows 7 OS is nearing end of life which
17 means Microsoft support and security patching will be ending.

18
19 11. PeopleSoft 9.2 Upgrade (ID# 96828118); Clearings \$894,875. This
20 project upgrades the current PeopleSoft hardware platform and all
21 PeopleSoft Enterprise applications to version 9.2. The current hardware
22 platform utilizes MS Server 2008 and Red Hat Enterprise License 5 which
23 are both nearing end of vendor support. The newer version of PeopleSoft

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Enterprise applications will provide mobile capabilities, updates to government policies, and enhanced functionality for HR, Financials & Supply Chain.

12. Oracle Buy-back from Rimini Street (ID# 96829417); Clearings \$930,537.

Currently the Company maintains a support agreement with Rimini Street to provide product support for the PeopleSoft enterprise applications. By terminating this agreement and re-licensing the PeopleSoft products with Oracle, the Company will achieve estimated costs savings of approximately \$152,000 annually over a five-year period for maintenance and support and allow the Company to receive product updates from Oracle.

13. Cybersecurity Program 2017 (ID# 96828817); Clearings \$878,290 and Cybersecurity Program 2018 (ID# 96828818); Clearings \$850,329. These annual programs implement new IT security tools needed to keep the Company's network and critical systems secure from viruses, network intrusions, and malware. It is a Company priority to protect technology systems from cybersecurity threats and maintain compliance with new industry security protocols; thus protecting Company systems and related data from compromise.

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1 14. Customer Experience Program 2017 (ID# 94228317); Clearings \$741,369.

2 This program upgrades and enhances the Company's Customer Services
3 systems, billing products, and reporting capabilities that are needed to
4 effectively support PNM customers. Continued upgrade and
5 modernization of these systems and products are needed in order to
6 effectively meet customer needs and expectations.

7
8 15. Lifecycle Management Infrastructure Program 2017 (ID# 96828017);

9 Clearings \$719,930 and Lifecycle Management Infrastructure Program
10 2018 (ID# 96828018); Clearings \$704,344. These programs replace,
11 enhance or upgrade core IT systems (e.g. servers, end user computing
12 devices, storage, network equipment and other IT devices) that are needed
13 to sustain the reliability and uptime of the enterprise computing
14 environment. Continued upgrade and modernization of this hardware are
15 needed to preserve operational performance and limit cybersecurity
16 vulnerabilities.

17
18 16. PNM Utility Program 2018 (ID# 94128418); Clearings \$699,615. This

19 program upgrades and enhances New Mexico operations IT systems and
20 processes to align and integrate key technologies needed to maintain solid
21 business unit performance. Continued upgrade and modernization of these
22 systems are required in order maintain or improve operational efficiencies

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1 within the Engineering, Transmission, Distribution, Power Operations and
2 Land Services business areas.

3
4 17. OSI Monarch 44.3 Software Upgrade (ID# 94628116); Clearings
5 \$668,406. The OSI Monarch product is a Company mission-critical
6 application which requires the system to perform at the highest standards.
7 Upgrading to the current version of the software will 1) maintain product
8 support by the vendor in compliance with the current support agreement,
9 2) introduce new tools and capabilities for the System Operators (Power
10 Operations and WPM) and Engineers, and 3) minimize data conversion
11 complexities in future Monarch upgrades.

12
13 18. MS Exchange Upgrade (ID# 96828115); Clearings \$622,419. Currently
14 the Company is using MS Enterprise Exchange 2010, which is nearing
15 end-of-support by the vendor. Running on an unsupported platform
16 introduces IT security concerns since system updates and patches are no
17 longer provided by MS. Related to lifecycle management, this project
18 upgrades the software to the vendor-supported version MS Enterprise
19 Exchange 2013, thus reducing the risk of security breaches and
20 maintaining compliance with the vendor support agreement.

21
22 19. PNM Intranet Replacement (ID# 96828515); Clearings \$617,910. The
23 current “NetSource” PNMR intranet is a principal communications

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1 medium for all employees. It has been in place since 2007 with MS
2 FrontPage, a web design product that is no longer supported and has been
3 architecturally unchanged since inception. The intranet is more vulnerable
4 to critical system failures and does not have the functional capabilities
5 required by today's internal corporate communications strategies. The
6 envisioned solution leverages existing capabilities in MS SharePoint 2013
7 combined with internal social media tools (interactive forums, advanced
8 survey capabilities, etc.) to provide greater system stability combined with
9 much improved flexibility to engage employees and management with
10 content creation.

11
12 20. Records Management Program 2017 (ID# 96829117); Clearings \$536,876
13 and Records Management Program 2018 (ID# 96829118); Clearings
14 \$571,155. These programs upgrade and enhance the Company's Records
15 Management systems and processes to help business units effectively
16 manage electronic and hardcopy records from the time they are created to
17 their eventual disposal. This includes identifying, classifying, storing,
18 securing, retrieving, tracking and destroying or permanently preserving
19 records. Continued upgrade and modernization of these Records
20 Management systems provide a platform to keep the necessary
21 documentation accessible for both business operations and compliance
22 audits.

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1 21. OpenPages Replacement (ID# 91128915); Clearings \$549,805. PNM

2 Audit Services currently depends on OpenPages Audit and Financial
3 Controls Management Modules to perform and manage business and
4 Sarbanes-Oxley ("SOX") audit activities, to assist with compliance with
5 multiple regulatory requirements. The accuracy of audit reporting and
6 SOX documentation records is crucial to maintaining regulatory
7 compliance, developing appropriate mitigation plans when deficiencies are
8 noted, and facilitating follow-up on those mitigation plans. By replacing
9 the current version of products, the new solution will: (1) be compliant
10 with IT technology standards for operating systems and database; (2) be
11 supported by the vendor under an annual maintenance and support
12 agreement; (3) be routinely upgraded and patched, maintaining
13 compliance with the IT lifecycle management schedule; (4) meet SOX
14 requirements that are mandated by regulations of the Securities Exchange
15 Commission, and (5) allow for documentation requirements to meet
16 International Professional Practices Framework.

17
18 22. SJ DWDM Upgrade 2nd Qtr 2014 (ID# 96328414); Clearings \$540,054.

19 Replace the current San Juan Generating Station ("SJGS") fiber
20 multiplexing unit (DWDM) system with the FNM Fujitsu DWDM
21 standard system. This upgrade will ensure PNM's compliance with
22 NERC communication requirements by correcting performance issues on
23 the existing system and by allowing the centralized monitoring of the

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1 communications supporting PNM's Generation and Northwest Switching
2 Station operations. The proposed system address future capacity issues as
3 higher bandwidth applications are deployed at the plant and it resolves the
4 PNM PathNet fiber constraints for services into and out of Rio Puerco
5 Switching Station, the Torreon region site and SJGS. The system will
6 support or and provide protected (loop) service for all of PNM's switching
7 stations in the Northwest region of the state.

8
9 23. Data Center Renovation (ID# 97730616); Clearings \$645,840. This
10 project renovates approximately 2,800 square feet of unused raised-floor
11 server room space into usable work and meeting space to accommodate
12 employees and contractor resource requirements at the Company's New
13 Mexico Data Center facility. New restroom facilities will also be added.
14 The work will require architectural support for design, electrical, HVAC,
15 plumbing, cabling and permitting.

16
17 ***C. Enterprise Asset Management ("EAM")***

18 **Q. PLEASE DESCRIBE THE EAM.**

19 **A.** The EAM solution (ID# 96829826) has clearings of \$35,098,829 and provides
20 optimal lifecycle management of physical assets. It covers subjects including the
21 design, construction, commissioning, operations, maintenance and
22 decommissioning/replacement of plant, equipment and facilities.

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The EAM is accessed by over 900 enterprise-wide users and directly supports the PNM Transmission and Distribution, and Generation organizations with respect to the six management areas below:

- Asset management - Achieve the control needed to more efficiently track and manage asset and location data throughout the asset lifecycle.
- Work management - Manage both planned and unplanned work activities, from initial request through completion and recording of actuals.
- Service management - Define service offerings, establish service level agreements, more proactively monitor service level delivery and implement escalation procedures.
- Contract management - Gain complete support for purchase, lease, rental, warranty, labor rate, software, master, blanket and user-defined contracts.
- Inventory management - Know the details of asset-related inventory and its usage including what, when, where, how many and how valuable.
- Procurement management - Support all the phases of enterprise-wide procurement such as direct purchasing and inventory replenishment.

Q. WHAT IS THE DRIVER BEHIND THE EAM?

A. This is a multi-year program with the objective of providing the Company with enhanced capabilities in the Work and Asset Management (“WAM”) end-to-end process and to realize its full benefits for customers, employees and shareholders. The Company’s current WAM system is Passport v10 which is used by over 900

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1 users. Not only does PNMR not have a current support agreement with Ventyx,
2 the vendor, but the ability to maintain Passport's life beyond 2017 is limited.
3 Passport also does not have the advanced functionality that is needed to support
4 the Transmission and Distribution, Generation and Procurement operations; such
5 as a robust job scheduler, improved process and work flows, and mobile
6 capabilities. Rather than purchasing stand-alone systems to support the advanced
7 capabilities that are needed, and given the Company's current IT environment and
8 future business needs, management determined that a better solution would be to
9 retire some of the outdated, functionality deficient and unsupported systems and
10 install a consistent and comprehensive long-term EAM solution.

11
12 **Q. WHAT ARE THE BENEFITS OF IMPLEMENTING THE EAM?**

13 **A.** The following benefits are expected from moving forward with the
14 implementation of a new EAM solution and achieving the objectives of the
15 program:

- 16 1. Reducing cybersecurity risk is a Company priority as threats continue to
17 increase in the industry. PNMR has an opportunity to reduce this risk
18 through modernizing the technologies and retiring the functionally
19 deficient and unsupported systems used in WAM business processes;
- 20 2. Investing in a comprehensive long-term EAM solution provides PNMR
21 with the technology necessary to address current and future business needs
22 including the addition of mobile capabilities;

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- 1 3. Achieving standardization in business processes and practices for WAM
- 2 across the utility through leveraging the planned EAM technology
- 3 replacement;
- 4 4. Reducing total system support costs by deploying a new EAM without
- 5 customizations by retiring obsolete systems and consolidating
- 6 functionality into EAM products;
- 7 5. Providing stronger alignment in staffing and processes in operations by
- 8 providing an effective decision making structure utilizing new EAM
- 9 operating and governance models;
- 10 6. Using operational data analytics to measure, track and report progress and
- 11 track current status of capital projects by incorporating a 'closed-loop'
- 12 performance management model.

13

14 **Q. WHAT MILESTONES HAVE BEEN ACHIEVED TO DATE AND WHAT**

15 **ARE PLANNED?**

16 **A.** The EAM Program will be delivered through three releases: 1) Release 1 (R1):

17 January 23, 2017; 2) Release 2 (R2): March 06, 2017; 3) Release 3 (R3): May 15,

18 2017. As of November 30, 2016, the following milestones have been achieved: 1)

19 product selection and procurement; 2) system integration vendor contracted; 3)

20 assess/requirements stage completed; 4) R1/R2/R3 design stage completed; 5)

21 R1/R2 construction completed; 6) R1/R2 three of six rounds of testing completed;

22 7) R1/R2 user training commenced; and 8) R3 construction in-process.

23

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D. Tier 2 & 3 Investments

Q. PLEASE SUMMARIZE THE TIER 2 CORPORATE PROJECTS TO BE COMPLETED THROUGH THE END OF THE CAPITAL CLEARING PERIOD.

A. Corporate Tier 2 projects have more than \$100,000 and less than \$500,000 in clearings for the Linkage and Test periods. Please refer to PNM Exhibit SMM-3 for details on each of the individual projects. In summary, some of the more significant Tier 2 projects include:

1. Technology projects in the Lifecycle Management Program that include modernizing applications, tools, and hardware through upgrading or replacing the product. Examples of these projects include: a) eDocs Collaboration replacement; b) upgrade the MS Office 2013 system to the next generation MS Office Suite Products; c) and replacing or upgrading applications where the product or version is at end-of-life and vendor support is expected to end.
2. Technology projects that provide enhanced capabilities to business segments such as: a) enhancing Banner CIS with modifications that will permit billing at different rates for energy produced using renewable and non-renewable resources; b) acquiring a tool for documenting and managing business and technical requirements for business and technology projects; c) a WPM data management portal which creates a data repository to store data from seven PNM internal and external sources to support consolidated reporting for

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1 power and gas trading; d) implementing future technologies that aid in
2 improving operations, make work processes more efficient, and reduce costs.

3 3. Technology projects that support IT infrastructure and Information Security
4 such as: a) implementing a solution that provides optimal performance for
5 data archiving, backup and offsite storage; b) MS System Center
6 Configuration Manager which enables administrators to manage the
7 deployment of applications and security products across the enterprise; c)
8 implement the INTEL McAfee Endpoint Protection Advanced Suite as a
9 replacement for the existing end point protection system tool, which is needed
10 to protect the Company's systems and data by addressing the on-going and
11 changing cybersecurity threats; and d) "EMM" to deliver mobility and
12 virtualized platforms to increase adaptability to business needs for mobile
13 devices (smart phones, tables, mini-laptops, etc.).

14 4. Technology projects that upgrade and modernize the Company's NERC
15 Critical Infrastructure Protection systems and processes to assure the
16 Company maintains the necessary mandated/required standards to improve the
17 North American power system's security.

18 5. Technology projects that upgrade and enhance the Company's financial
19 systems and reporting capabilities, that are needed to help business units
20 effectively manage their finances, provide financial analysis to enhance
21 customer and shareholder value, and support the Company's work on rate case
22 interrogatories, hearings and negotiations.

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1 6. Technology projects that modernize the Company's human resource systems
2 and reporting capabilities that are needed to help business units effectively
3 manage their personnel, and to provide manager and employee support within
4 the areas of workforce development, compensation and benefits, healthcare
5 management, training, employee relations, variable compensation, career
6 development, staffing and employee wellness.

7
8 **Q. PLEASE SUMMARIZE THE TIER 3 CORPORATE PROJECTS TO BE**
9 **COMPLETED THROUGH THE END OF THE CAPITAL CLEARING**
10 **PERIOD.**

11 **A.** Tier 3 projects are investments \$100,000 or less in clearings for the Linkage and
12 Test Period. Please refer to PNM Exhibit SMM-4 for details on each of the
13 individual Tier 3 projects. In summary, some of the projects include:

14 1. Technology projects that support business and technology advancements such
15 as: a) upgrade the Cognos reporting tool increasing the Company's business
16 intelligence capabilities; b) upgrades and enhancements to customer service
17 systems, billing products, and reporting capabilities needed to effectively
18 supporting PNM customers; c) upgrading the MV-90xi system which is used
19 for collecting meter interval data (usage and demand) information from 300 of
20 the largest business users; d) completion of network architecture protecting
21 qualifying NERC CIP assets; and e) and next generation mobility increasing
22 productivity, efficiency, and communication among business users.

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VI. CONCLUSIONS

1

2 **Q. DO YOU HAVE ANY CONCLUDING OBSERVATIONS?**

3 **A.** Yes. PNMR supports PNM through managing the corporate capital budget for
4 technology, facilities, equipment, and furniture. PNMR strives to minimize
5 customer costs through its project assessment review process. The corporate
6 capital investments are prudent and necessary to provide the tools, systems, and
7 facilities needed to serve customers. PNMR has a rigorous and structured process
8 for identifying and prioritizing capital investment in advance of its need and for
9 handling unforeseen events that change the business priorities and when the
10 technology industry changes rapidly. Therefore, the Capital Investment Period
11 capital costs are reasonable and necessary.

12

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

14 **A.** Yes.

GCG#522593

Résumé of Sheila M. Mendez

PNM Exhibit SMM-1

Is contained in the following 3 pages

Sheila Mendez, PMP

A technology and business visionary who is a strategic senior leader in the customer service business of delivering innovative, effective and valued IT solutions and services across the enterprise for 24 years. Enthusiastic, creative, and positive thought leader, with excellent people and communication competencies, who drives solutions to complex problems.

Qualification Highlights:

- Demonstrated achievement in delivering multi-million dollar projects
- Merger, acquisition, and divestiture experience
- Strategic and tactical planning and execution
- Portfolio management and governance
- Information management policy development
- Relationship management and collaboration
- Certified Project Management Professional
- Lean Six Sigma
- ITIL certified
- Organizational change management
- Effective communicator with all levels in the organization
- IT benchmarking and measuring key performance indicators
- Budget, forecasting, and supplier management
- Software development life cycle
- Global delivery model

Benchmark and Milestones:

- Led the development of an Enterprise Technology Strategy and formation an Enterprise Technology Steering Committee (ETSC) to govern the future technology (IT and OT) needs for the company.
- Led the one year IT de-integration efforts on a \$320m divestiture of TX competitive businesses with a cross-functional team of 50+ technology and business professionals
- Led the 18 month IT de-integration efforts on a \$620m gas company sale with a matrix team of 100+ technology and business professionals
- Negotiated and deployed an Test Center of Excellence (TCOE) with a global strategic sourcing partner
- Designed and implemented an IT Portfolio and Maturity Model, with an improved capital project portfolio process, resulting in the PNMR Board of Directors increasing investment in technology by 175% over three years.
- Achieved 10% savings in hardware and software contracts through a 10-month contract management initiative

Professional Experience:

PNM Resources Inc.

IT Director of PPMO & Quality

IT Director of Account Management

October 2010 – Present

April 2006 – October 2010

- Responsible for the strategic and operational leadership and direction for the departments of: Portfolio and Program Management, Quality Assurance, and Account Management.
 - Portfolio and Program Management includes the Program and Project Management Office, portfolio management, project governance, continuous process improvement, and strategic planning
 - Quality Assurance includes IT Service Management (management of incident, problem, release, change, configuration), quality control and Test Center of Excellence (TCOE), process quality and governance, metrics, and audit compliance
 - Account Management provides consulting and liaison services with each business unit within corporate and company subsidiaries.

Sheila M. Mendez**Résumé Continued**

- Lead an organization across NM and TX including onshore and offshore managed services partner
- Lead and participate in development of technology, IT and business strategies, and operating plans
- Currently leading a \$35m Enterprise Asset Management program for the enterprise through mid-2017; that has a large implication on modernizing technologies and business processes and organization change management
- Manage over \$32m annual operational budget and \$13m-\$25m annual capital budget
- Negotiate multiple software and services contracts that range in amounts of \$100k-\$4m
- Led the IT de-integration of the two Texas competitive energy subsidiaries resulting in:
 - Transition Services Agreement (TSA)
 - Decommissioned and transferred over 700 hardware assets and 50 applications
- Led the IT de-integration of the gas company resulting in:
 - Zero (0) unplanned disruptions to the electric or gas business
 - Transition Services Agreement (TSA)
 - Decommissioned and transferred over 1500 hardware assets and 70 gas applications
- Participated in evaluation and selection of a strategic outsourced partner to deliver application, infrastructure and data center services, and TCOE
- Team delivers on average of 60+ projects per year with a consistency of meeting 99% of project deliverables within 2% variance in budget and schedule

PNM Resources Inc.**August 2005 to April 2006****IT Account Manager and Acting Director of IT Account Management**

- Defined department strategic direction and managed department budget
- Managed stakeholder relationships and participated in developing business strategy
- Established account management model, department operating plan, and related account management plans
- Established a prioritization process to evaluate all client requests
- Mapped out technology and applications utilized for business clients such as re-engineering the TX electric outage calls processes and implemented Interactive Voice Response (IVR) technology

Public Service Company of New Mexico (PNM)**May 1999 to August 2005****IT Manager and Acting Director for Customer Service IT (CSIT)**

- Strategic planning for the Customer and Market Services and the CSIT department
- Managed \$2.6m annual operating budget and \$6m annual capital budget
- Ensured the Customer Information System (CIS) and supported customer service systems were Y2K ready and compliant
- Implemented systems such as: IVR system, CIS data marts, CIS batch scheduler, accounts receivable reconciliation and related upgrades
- Participated on a NM Consortium group that consisted of three NM electric and gas utilities and the CIS vendor, to develop a NM based CIS utilizing the base product
- Proposed Zero Modification Approach (ZMA) for CIS that would result in 10% reduction in cumulative cost per billed account and extend asset life by seven years over traditional approach

City of Albuquerque**July 1992 – May 1999****Applications Development Coordinator, Senior Systems Analyst, and Systems Analyst**

- IT client relationship liaison for Human Resource, Community Relations, Albuquerque Police Department, Risk Management, and Finance departments. Responsible for solution and service delivery and development of account plans
- Managed and supervised the GEAC Financial Team, who maintained 15 citywide mission critical financial applications
- Proposed, planned, and implemented the city's document management and imaging system
- Led the planning efforts for Y2K system preparation
- Developed process for project initiation, planning, and tracking

Education and Certifications:

- B.B.A. in Business Computer Systems, University of New Mexico, 1991
- Project Management Professional (PMP) certification, Project Management Institute (PMI), 2009
- ITIL V3 Foundations Certification, 2010
- ITIL Service Offerings and Agreements Certification, 2011
- Utility Executive Course, University of Idaho, 2012

Achievements:

- Leadership Albuquerque Class of 2010, Greater Albuquerque Chamber of Commerce
- NM Technology Council Board of Directors (2013-present)
- UNM Alumni Letterman's Association Board of Directors 2012-Present (2014-2017 Officer)
- Greater Sandoval County Chamber of Commerce (GSCCC) Board of Directors 2011-2015 (former Treasurer)
- 2013 Woman of the Year for Leukemia & Lymphoma Society
- Designed and co-lead a 12-month company leadership program for officer selected high-potential leaders

PNMR Corporate Tier Level 1 Capital Projects

PNM Exhibit SMM-2

Is contained in the following 152 pages

Electronic Instructions:

To view detailed costs for each project, click project to highlight then Press "CTRL" and left click on mouse.

To return back to index from detailed costs, click "CTRL" and "Home"

Wednesday, November 16, 2016

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PNM EXHIBIT SMM-2 PNMR Corporate Tier Level 1 Capital Projects

Link/Test

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Total

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Project No:94230815 Santa Fe Building Improvements	\$791,816	\$0	\$791,816.....	5
Project No:97730514 Downtown Security and NERC Equipment Upgrades	\$1,322,982	\$0	\$1,322,982.....	9
Project No:97730515 Downtown Building Improvements	\$1,845,227	.....	\$0	.....	\$1,845,227.....	13
Project No:97730616 Data Center Renovation	\$645,840	.....	\$0	.....	\$645,840.....	18
Technology Projects	\$65,398,064	.....	\$0	...	\$65,398,064.....	22
Project No:91128016 Legacy EAM App-PowerPlan Upgrades	\$1,363,875	.....	\$0	.....	\$1,363,875.....	23
Project No:91128416 Budget Tools Improvements	\$2,446,904	.....	\$0	.....	\$2,446,904.....	27
Project No:91128915 OpenPages Replacement	\$549,805	.....	\$0	.....	\$549,805.....	31
Project No:94128016 Legacy EAM App-ArcFM & ArcGIS Upgrades	\$1,365,557	.....	\$0	.....	\$1,365,557.....	36
Project No:94128114 Oracle BIFS	\$1,148,961	.....	\$0	.....	\$1,148,961.....	40
Project No:94128418 PNM Utility - Program 2018	\$699,615	.....	\$0	.....	\$699,615.....	44

Project No:94228317 Customer Experience - Program 2017	\$741,369	\$0	\$741,369.....	48
Project No:94628116 OSI Monarch 44.3 Software Upgrade	\$668,406	\$0	\$668,406.....	52
Project No:94628318 PNM Bulk Power - Program 2018	\$2,395,392	\$0	\$2,395,392.....	56
Project No:96328018 CPR Telecom 2018	\$612,489	\$0	\$612,489.....	60
Project No:96328314 NM_TX Voice System Replacement	\$1,508,229	\$0	\$1,508,229.....	64
Project No:96328414 SJ DWDM Upgrade	\$540,054	\$0	\$540,054.....	68
Project No:96828015 TIBCO Platform Upgrade	\$975,987	\$0	\$975,987.....	72
Project No:96828017 Lifecycle Management Infrastructure - Program 2017	\$719,930	\$0	\$719,930.....	76
Project No:96828018 Lifecycle Management Infrastructure - Program 2018	\$704,344	\$0	\$704,344.....	80
Project No:96828115 MS Exchange Upgrade	\$622,419	\$0	\$622,419.....	84
Project No:96828117 MS Enterprise License Agreement	\$1,471,463	\$0	\$1,471,463.....	88
Project No:96828118 PeopleSoft 9.2 Upgrade	\$894,875	\$0	\$894,875.....	92
Project No:96828317 Windows 7 EOL Upgrade	\$895,576	\$0	\$895,576.....	96
Project No:96828515 PNM Intranet Replacement	\$617,910	\$0	\$617,910.....	100
Project No:96828817 Cybersecurity -Program 2017	\$878,290	\$0	\$878,290.....	104
Project No:96828818 Cybersecurity -Program 2018	\$850,329	\$0	\$850,329.....	108
Project No:96828917 CPR Servers and Storage 2017	\$1,023,296	\$0	\$1,023,296.....	112
Project No:96828918 CPR Servers and Storage 2018	\$591,651	\$0	\$591,651.....	116
Project No:96829117 Records Management -Program 2017	\$536,876	\$0	\$536,876.....	120
Project No:96829118 Records Management -Program 2018	\$571,155	\$0	\$571,155.....	124

Project No:96829417 Oracle Buy-Back from Rimini Street	\$930,537	\$0	\$930,537	128
Project No:96829616 Computer Platform Refresh Server/St	\$777,498	\$0	\$777,498	132
Project No:96829717 CPR PCs 2017	\$627,414	\$0	\$627,414	136
Project No:96829718 CPR PCs 2018	\$626,589	\$0	\$626,589	140
Project No:96829826 Enterprise Asset Management	\$35,098,829	\$0 ..	\$35,098,829	144
Project No:96832514 Data Center Network Refresh	\$1,942,439	\$0	\$1,942,439	149
Totals for Report.....	\$70,003,929	\$0 ..	\$70,003,929	152

General Services

Project No: 94230815 Santa Fe Building Improvements

Company: 007-PNMR Services Co
Location: 942-Corp Alloc 100pct Electric-----

Project Information

Construction Start Date 3/1/2017 Estimated Completion Date

List Interim In-Service Dates

0

Project Need Justification

This is a blanket project used for the Santa Fe Service Center building for the purpose of improving the building or systems. Projects will be identified as breakdown maintenance or equipment failure occurs. These funds will be used for the replacement of systems such as HVAC, plumbing, roofing, electrical, and pavement when the useful life of these systems/assets is completed or if replacement parts become obtainable. Upon identification of an issue, each individual project will be requested through a Capital Development Approval Process or (CDAP) and an individual project number will be assigned.

Project Alternatives

The alternative to the chosen course of action is to do nothing and continue to rely upon Operations and Maintenance funds when repairs are needed. This options is not favorable in many cases because breakdowns are becoming more frequent and in some instances could leave employees working in unfavorable conditions (e.g., excessive heat or cold, poor ventilation, etc.) for long periods of time or may result in the need for them to be sent home until the systems are repaired/restored. Furthermore, General Services has a limited staff and may be unable to respond in a timely manner depending on the number and criticality of work orders in the system and the fact the Santa Fe building is more than one hour away. Age, obsolescence, parts availability and potential safety concerns are also contributing factors to the decision process which are reviewed on a case by case basis. Approved vendors, under contract with expertise in the various areas, are used in the majority of these cases. When breakdown occurs, subject matter experts including PNM employees and management in the respective area, General Services' manager, Building Maintenance supervisor, and a licensed contractor would collaborate to determine if the system can be repaired or needs replacement.

Technical Aspects

The technical aspects of each project would be identified at the time of the system failure and decision to replace. The work, equipment, and cost would be justified in a CDAP. The budgeted funds will be used solely for outside contract labor and the equipment being replaced.

Project Estimate Approach

The alternative is to make equipment repairs as breakdown occurs. This expense would be paid from limited O&M budget funds instead of Capital. It is possible that eventually the equipment or system would be unrepairable. At the time each project is identified and approved for Capital funding, the Building Maintenance Supervisor will work with the General Services Manager and Sourcing Analyst to solicit bids from qualified vendors. The bids will be evaluated and awarded at that time.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94230815	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			180,219	0	0	0	0	0	180,219		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			406	813	0	0	0	0	1,218		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			180,625	813	0	0	0	0	181,437		
825-Clearings	0			0	-181,437	0	0	0	0	-181,437		
Clr Sum	0			0	-181,437	0	0	0	0	-181,437		
Proj Net	0			180,625	-180,625	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94230815	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	180,219	0	0	50,000	100,000	100,000	0	50,000	0	0	0	0	0	480,219
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	1,218	0	0	107	416	861	1,038	1,182	1,299	0	0	0	0	6,120
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	181,437	0	0	50,107	100,416	100,861	1,038	51,182	1,299	0	0	0	0	486,339
	825-Clearings	-181,437	0	0	0	0	0	0	0	-304,902	0	0	0	0	-486,339
	Clr Sum	-181,437	0	0	0	0	0	0	0	-304,902	0	0	0	0	-486,339
	Proj Net	0	0	0	50,107	100,416	100,861	1,038	51,182	-303,603	0	0	0	0	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94230815	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	480,219	0	0	50,000	0	0	100,000	0	0	100,000	0	0	50,000	780,219	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	6,120	0	0	109	212	204	364	564	544	701	905	878	997	11,597	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	486,339	0	0	50,109	212	204	100,364	564	544	100,701	905	878	50,997	791,816	
825-Clearings	-486,339	0	0	0	0	0	0	0	0	0	0	0	-305,477	-791,816	
Clr Sum	-486,339	0	0	0	0	0	0	0	0	0	0	0	-305,477	-791,816	
Proj Net	0	0	0	50,109	212	204	100,364	564	544	100,701	905	878	-254,480	0	

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Project No: 97730514 Downtown Security and NERC Equipment Upgrades

Company: 007-PNMR Services Co
Location: 977-Corp Alloc Downtown Buildings-----

Project Information

<u>Construction Start Date</u>	2/1/2017	<u>Estimated Completion Date</u>
<u>List Interim In-Service Dates</u>		
0		

Project Need Justification

For 2017, this project is proposed to upgrade the overall C-Cure Security system, update the Kantech system to C-cure (specifically, Southern New Mexico) and provide improvements to the headquarters building security. For 2018, this project will fund the Kantech to C-Cure conversion for Texas-New Mexico Power (TNMP) and the relocation of the North American Electric Reliability Corporation (NERC) Security Operations Center. NERC compliance is the main driver for these system changes and upgrades.

Project Alternatives

At this time, no other alternatives have been identified for this project. However, once parts of the project are developed, alternatives will be considered as needed.

Technical Aspects

The technical aspects of the work will be identified when the scope of work has been determined.

Project Estimate Approach

This funding is for replacement of equipment that is determined to be beyond repair or is in need upgrade to meet NERC and other government regulations. If this project is not approved, this expense would be paid from limited O&M budget funds. Determination for replacement, alternatives, and cost estimates would be made by the Corporate Security Supervisor, Security Specialists, General Services Manager, Sourcing Analyst, and qualified vendors.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	97730514	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			45,000	86,667	86,666	86,667	250,000	281,367	836,366		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-1,101	-507	-524	-2,132		
426-Capitalized Interest	0			101	398	729	1,104	508	1,642	4,482		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			45,101	87,065	87,394	86,669	250,001	282,486	838,716		
825-Clearings	0			0	0	0	-306,229	0	-532,487	-838,716		
Clr Sum	0			0	0	0	-306,229	0	-532,487	-838,716		
Proj Net	0			45,101	87,065	87,394	-219,560	250,001	-250,001	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	97730514	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	836,366	0	100,000	100,000	100,000	100,000	77,000	0	0	0	0	0	0	1,313,366
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-2,132	0	0	0	0	0	0	0	0	0	0	0	0	-2,132
	426-Capitalized Interest	4,482	0	193	642	1,041	1,512	1,824	2,054	0	0	0	0	0	11,748
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	838,716	0	100,193	100,642	101,041	101,512	78,824	2,054	0	0	0	0	0	1,322,982
	825-Clearings	-838,716	0	0	0	0	0	0	-484,266	0	0	0	0	0	-1,322,982
	Clr Sum	-838,716	0	0	0	0	0	0	-484,266	0	0	0	0	0	-1,322,982
Proj Net		0	0	100,193	100,642	101,041	101,512	78,824	-482,212	0	0	0	0	0	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	97730514	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oci	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	1,313,366	0	0	0	0	0	0	0	0	0	0	0	0	1,313,366
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-2,132	0	0	0	0	0	0	0	0	0	0	0	0	-2,132
	426-Capitalized Interest	11,748	0	0	0	0	0	0	0	0	0	0	0	0	11,748
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	1,322,982	0	0	0	0	0	0	0	0	0	0	0	0	1,322,982
	825-Clearings	-1,322,982	0	0	0	0	0	0	0	0	0	0	0	0	-1,322,982
	Clr Sum	-1,322,982	0	0	0	0	0	0	0	0	0	0	0	0	-1,322,982
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 97730515 Downtown Building Improvements

Company: 007-PNMR Services Co
Location: 977-Corp Alloc Downtown Buildings-----

Project Information

Construction Start Date 1/1/2017 Estimated Completion Date

List Interim In-Service Dates

0

Project Need Justification

This is a blanket project used for building improvements and systems in the Downtown Albuquerque Headquarters' building. In 2017, this project will fund downtown building improvements including continuation of the elevator replacement work that began in 2016, constructing a communication system, upgrading the conference center, replacing UPS batteries, and addressing additional unexpected expenses. 1) The elevator replacement project which started in 2016 (\$352k in 2016) is a replacement of the drives and mechanics for the four downtown elevators. 2) There is not currently a central communication system for the Downtown building. This project involves installing monitors on each floor to provide information (e.g., evacuation directions, program updates, meeting and conference locations, etc.) that can be centrally managed on a real-time basis. This will provide current, accurate communication for all Downtown building occupants. This project was proposed for 2016 but cancelled as funding was needed for other maintenance projects. 3) Conference center upgrades have been proposed for the fourth floor conference center. After four years of use, the kitchen area layout has been found to need improvement for better access, and due to the high traffic the flooring needs to be replaced for better aesthetics and easier cleaning. 4) The UPS battery replacement is necessary for continued power backup for the Headquarters building and its systems. This replacement is necessary every three years to ensure reliability. 5) The remainder of this project (\$300k for Downtown, \$100k for Data Center) is necessary as contingency funding in the event that building systems (electrical, plumbing, roofing) fails and needs to be replaced. It is possible that these funds will not be needed.

Project Alternatives

1) Elevator Replacement - It was determined in 2016 that the elevators were outdated in their systems and parts were difficult if not impossible to obtain. For the occupant's safety and to reduce maintenance costs, it was determined to replace these cars and mechanics over a two-year period. This was to reduce the downtime for replacement. The alternative was to continue to utilize O&M budget to prolong replacement but the risk was total failure of an elevator. 2) Downtown Communication System - The alternative is to continue with the current communication medium of posting flyers and e-mail; and not having the ability to communicate important information real-time via a centrally controlled communications system. A central communication system was suggested after PNM personnel visited other facilities with a similar system (also PNM's San Juan Generating Station currently has such a system). System needs are currently being evaluated and once finalized the project will be put out to bid and options will be reviewed. A centralized system is needed for quick, efficient communication to all areas of the building for items such as emergency notification, meeting planning, corporate and safety messages, and building events. Currently, these messages are delayed and not communicated to building occupants effectively. 3) Conference Center Upgrades - The center is utilized almost daily and visitors include the public and large numbers of people. The current design is not effective, and the current flooring not only shows wear and tear, but

is difficult and costly to clean. The alternative is to continue as currently designed. 4) UPS Battery Replacement - There is no alternative to replacing the backup batteries downtown. Leaving the current batteries could cause catastrophic failure to computer systems including power outages and system failure. 5) Downtown and Data Center contingency funding - The alternative is to secure funding when a system replacement is needed. This would cause a delay in the work and possible cancellation or reprioritization of another project.

Technical Aspects

1) Elevator Replacement - The four car mechanics/components will be replaced including cabling systems. 2) Downtown Communication System: After obtaining bids for a communication system, it is anticipated that this project would including cabling and installation of electronic video monitors on each floor and a central keyboard and control system. 3) Conference Center Upgrades - The kitchen area wall will be partially removed including upper cabinets. This will improve access and visibility. The carpet will be removed and replaced with tile flooring for easier cleaning. 4) UPS Battery Replacement - The current batteries will be replaced with new batteries that will support the computer and building systems supported. 5) Downtown and Data Center contingency funding - The technical aspects will be determined as the need arises by the building maintenance supervisor, general services manager, and qualified external vendors.

Project Estimate Approach

1) Elevator Replacement - This project is anticipated to be 38% of the total budget. The 2017 estimate is \$484,536 for the balance of the replacement which began in 2016. The work and expense is 100% outside contractors. 2) Headquarters' Communication System: This project is estimated to be 8% of the overall budget. It is anticipated that 95% of the project installation would be external contractors, with 5% internal BTS programming support. 3) Conference Center Upgrades – This project is anticipated to be 19% of the overall budget. This work will be performed 100% by outside contractors. 4) UPS Battery Replacement - This project is estimated to be 4% of the overall budget. Work will be performed 100% by outside contractors. 5) Downtown and Data Center contingency funding – This project is estimated to be 31% of the overall budget. Work would be performed 100% by outside contractors.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	97730515	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			115,000	25,000	5,000	30,000	27,700	26,909	229,609		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-676	-655	-676	-2,008		
426-Capitalized Interest	0			259	575	595	678	774	914	3,795		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			115,259	25,575	5,595	30,001	27,819	27,147	231,396		
825-Clearings	0			0	0	0	0	0	-231,396	-231,396		
Clr Sum	0			0	0	0	0	0	-231,396	-231,396		
Proj Net	0			115,259	25,575	5,595	30,001	27,819	-204,249	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	97730515	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	229,609	0	0	0	81,512	81,512	176,891	250,000	175,000	125,000	50,000	0	100,000	1,269,524	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	-2,008	0	0	0	0	0	0	0	0	0	0	0	0	-2,008	
426-Capitalized Interest	3,795	0	0	0	169	526	1,041	1,988	2,914	260	646	734	980	13,053	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	231,396	0	0	0	81,681	82,038	177,932	251,988	177,914	125,260	50,646	734	100,980	1,280,569	
825-Clearings	-231,396	0	0	0	0	0	0	0	-771,553	0	0	0	-277,620	-1,280,569	
Clr Sum	-231,396	0	0	0	0	0	0	0	-771,553	0	0	0	-277,620	-1,280,569	
Proj Net	0	0	0	0	81,681	82,038	177,932	251,988	-593,639	125,260	50,646	734	-176,640	0	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	97730515	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	1,269,524	0	0	0	54,305	100,000	100,000	50,000	50,000	100,000	0	100,000	0	1,823,829	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	-2,008	0	0	0	0	0	0	0	0	0	0	0	0	-2,008	
426-Capitalized Interest	13,053	0	0	0	115	423	742	1,049	1,190	1,415	1,644	1,769	2,007	23,406	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	1,280,569	0	0	0	54,420	100,423	100,742	51,049	51,190	101,415	1,644	101,769	2,007	1,845,227	
825-Clearings	-1,280,569	0	0	0	0	0	0	0	0	0	0	0	-564,658	-1,845,227	
Clr Sum	-1,280,569	0	0	0	0	0	0	0	0	0	0	0	-564,658	-1,845,227	
Proj Net	0	0	0	0	54,420	100,423	100,742	51,049	51,190	101,415	1,644	101,769	-562,651	0	

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Project No: 97730616 Data Center Renovation

Company: 007-PNMR Services Co
Location: 977-Corp Alloc Downtown Buildings-----

Project Information

Construction Start Date 10/10/2016 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

Project Need Justification

This project will convert unused server room space at the Aztec Data Center Facility into new workstations and meeting spaces to accommodate an increase in employees and contractors working in the area.

Project Alternatives

There are no other viable alternatives, additional workspaces are needed at the Aztec Data Center because the current layout is at capacity.

Technical Aspects

This project involves permitting, architecture, engineering, construction, and office environment setup. The final space will be approximately 2,800 sq. ft., with 21 workstations and two meeting areas. Additional plans include new restroom facilities on the southeast end of the building. The work will require architectural support for design, electrical, HVAC, plumbing, cabling and permitting. Modular walls will be used to minimize dust and debris and to make future changes more cost effective.

Project Estimate Approach

Cost estimates for this project were provided by Subject Matter Experts from General Services and IT Infrastructure Support teams, as well as vendors quotes for construction and office environment setup.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	97730616	Year	2016								
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General		0		0	0	0	0	0	0	0	
120-Overtime-General		0		0	0	0	0	0	0	0	
350-Material Issues-Major		0		0	0	0	0	0	0	0	
370-Outside Services		0		0	113,251	120,000	120,000	120,000	120,000	593,251	
374-Outside Svcs Legal		0		0	0	0	0	0	0	0	
377-Outside Services-Temp Labor		0		0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor		0		0	0	0	0	0	0	0	
530-Employee Expense		0		0	0	0	0	0	0	0	
610-Expenses - General		0		0	0	0	0	0	50,000	50,000	
805-Land and Land Rights		0		0	0	0	0	0	0	0	
807-Non Refundable Contribution		0		0	0	0	0	0	0	0	
829-Construction Adjustment		0		0	0	0	-1,233	-1,194	-1,233	-3,659	
426-Capitalized Interest		0		0	255	721	1,235	1,686	2,352	6,248	
908-Luna AR - Labor		0		0	0	0	0	0	0	0	
909-Luna AR - Other		0		0	0	0	0	0	0	0	
913-Payroll Taxes Load		0		0	0	0	0	0	0	0	
914-Pension and Benefits Load		0		0	0	0	0	0	0	0	
915-Injuries and Damages Load		0		0	0	0	0	0	0	0	
918-San Juan AR-Labor		0		0	0	0	0	0	0	0	
921-Stores / Purchasing Load		0		0	0	0	0	0	0	0	
922-Minor Material Load		0		0	0	0	0	0	0	0	
925-E and S Loads		0		0	0	0	0	0	0	0	
926-A and G Loads		0		0	0	0	0	0	0	0	
928-AFUDC Debt Reg		0		0	0	0	0	0	0	0	
929-AFUDC - Equity Regular		0		0	0	0	0	0	0	0	
937-San Juan AR - Other		0		0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V		0		0	0	0	0	0	0	0	
Cost Sum		0		0	113,506	120,721	120,003	120,492	171,119	645,840	
825-Clearings		0		0	0	0	0	0	-645,840	-645,840	
Clr Sum		0		0	0	0	0	0	-645,840	-645,840	
Proj Net		0		0	113,506	120,721	120,003	120,492	-474,720	0	

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	77730616	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	593,251	0	0	0	0	0	0	0	0	0	0	0	0	593,251
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	50,000	0	0	0	0	0	0	0	0	0	0	0	0	50,000
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-3,659	0	0	0	0	0	0	0	0	0	0	0	0	-3,659
	426-Capitalized Interest	6,248	0	0	0	0	0	0	0	0	0	0	0	0	6,248
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	645,840	0	0	0	0	0	0	0	0	0	0	0	0	645,840
	825-Clearings	-645,840	0	0	0	0	0	0	0	0	0	0	0	0	-645,840
	Clr Sum	-645,840	0	0	0	0	0	0	0	0	0	0	0	0	-645,840
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	97730616	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	593,251	0	0	0	0	0	0	0	0	0	0	0	0	593,251	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	50,000	0	0	0	0	0	0	0	0	0	0	0	0	50,000	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	-3,659	0	0	0	0	0	0	0	0	0	0	0	0	-3,659	
426-Capitalized Interest	6,248	0	0	0	0	0	0	0	0	0	0	0	0	6,248	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	645,840	0	0	0	0	0	0	0	0	0	0	0	0	645,840	
825-Clearings	-645,840	0	0	0	0	0	0	0	0	0	0	0	0	-645,840	
Clr Sum	-645,840	0	0	0	0	0	0	0	0	0	0	0	0	-645,840	
Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

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Technology Projects

Project No: 91128016 Legacy EAM App-PowerPlan Upgrades

Company: 007-PNMR Services Co
Location: 911-Corp Alloc Financial Systems-----

Project Information

Construction Start Date 4/27/2016 Estimated Completion Date 1/31/2017
List Interim In-Service Dates

0

Project Need Justification

The transition to a new Enterprise Asset Management (EAM) Program is in progress. The replacement of the existing Passport system with Maximo is a major component of that transition and impacts a number of other systems. PowerPlan is one of the legacy systems that requires a new Maximo Adapter to be installed and configuration changes made to ensure successful integration and functionality with the new system. This project involves installing a new Maximo adapter to ensure PowerPlan will be compatible with the new EAM system.

Project Alternatives

There are no other alternatives. This work is required to support the implement of PNMR's Enterprise Asset Management program. Changes are needed to PowerPlan to ensure that it can be operated using the new EAM (Maximo) system. This required PNMR to solicit a proposal from a vendor who specializes in this design change and who has the experience critical to a successful and timely completion of these changes.

Technical Aspects

This project includes installation/integration of the Maximo Adapter that was purchased in 2015, Company consolidation of two TNMP Companies (TNMP PNM Distribution, and TNMP PNM Transmission) into two PNM companies (Electric Services and Transmission Services), Asset Location cleanup, Unit Catalog Relationship cleanup, and ensuring PowerPlan will allow Installs and Removes to be placed on Maximo Work Orders. The project will also leverage an Applet that links to PowerPlan to allow the business units to enter estimates directly into the system rather than populating a spreadsheet with estimates and then uploading that to PowerPlan.

Project Estimate Approach

Cost estimates were provided by Subject Matter Experts from our IT Applications and Corporate Accounting Support teams, and were based on vendor quotes for required hardware and implementation support, and historical cost and schedule data from previous PowerPlan upgrade-related projects. Project costs for this effort include internal labor, outside services/support, and materials/equipment.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	91128016	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
	110-Straight Time-General	3,441		15,000	15,000	15,000	15,000	15,000	15,000	93,441		
	120-Overtime-General	0		0	0	0	0	0	0	0		
	350-Material Issues-Major	0		0	0	0	0	0	0	0		
	370-Outside Services	726,160		60,000	50,000	75,000	75,000	75,000	75,000	1,136,160		
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0		
	377-Outside Services-Temp Labor	0		0	0	0	0	0	0	0		
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0		
	530-Employee Expense	0		0	0	0	0	0	0	0		
	610-Expenses - General	0		0	0	0	0	0	11,859	11,859		
	805-Land and Land Rights	0		0	0	0	0	0	0	0		
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0		
	829-Construction Adjustment	0		0	0	0	-4,363	-4,228	-4,363	-12,954		
	426-Capitalized Interest	4,351		3,507	3,857	3,916	4,372	4,622	5,194	29,820		
	908-Luna AR - Labor	0		0	0	0	0	0	0	0		
	909-Luna AR - Other	0		0	0	0	0	0	0	0		
	913-Payroll Taxes Load	383		1,451	1,451	1,451	1,451	1,451	1,451	9,086		
	914-Pension and Benefits Load	734		2,778	2,778	2,778	2,778	2,778	2,778	17,402		
	915-Injuries and Damages Load	67		252	252	252	252	252	252	1,579		
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0		
	921-Stores / Purchasing Load	3,882		0	0	0	0	0	0	3,882		
	922-Minor Material Load	0		0	0	0	0	0	0	0		
	925-E and S Loads	0		0	0	0	0	0	0	0		
	926-A and G Loads	0		0	0	0	0	0	0	0		
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0		
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0		
	937-San Juan AR - Other	0		0	0	0	0	0	0	0		
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0		
	Cost Sum	739,018		82,987	73,338	98,397	94,490	94,874	107,170	1,290,275		
	825-Clearings	0		0	0	0	0	0	0	0		
	Clr Sum	0		0	0	0	0	0	0	0		
Proj Net		739,018		82,987	73,338	98,397	94,490	94,874	107,170	1,290,275		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	91128016	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	93,441	21,000	0	0	0	0	0	0	0	0	0	0	0	114,441
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	1,136,160	45,000	0	0	0	0	0	0	0	0	0	0	0	1,181,160
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	11,859	52	0	0	0	0	0	0	0	0	0	0	0	11,911
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-12,954	-4,412	0	0	0	0	0	0	0	0	0	0	0	-17,365
	426-Capitalized Interest	29,820	5,635	0	0	0	0	0	0	0	0	0	0	0	35,454
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	9,086	1,491	0	0	0	0	0	0	0	0	0	0	0	10,577
	914-Pension and Benefits Load	17,402	4,022	0	0	0	0	0	0	0	0	0	0	0	21,424
	915-Injuries and Damages Load	1,579	288	0	0	0	0	0	0	0	0	0	0	0	1,866
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	3,882	0	0	0	0	0	0	0	0	0	0	0	0	3,882
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	1,290,275	73,075	0	0	0	0	0	0	0	0	0	0	0	1,363,350
	825-Clearings	0	-1,363,875	0	0	0	0	0	0	0	0	0	0	0	-1,363,875
	Clr Sum	0	-1,363,875	0	0	0	0	0	0	0	0	0	0	0	-1,363,875
Proj Net		1,290,275	-1,290,800	0	0	0	0	0	0	0	0	0	0	0	-524

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	91128016	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	114,441	0	0	0	0	0	0	0	0	0	0	0	0	114,441
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	1,181,160	0	0	0	0	0	0	0	0	0	0	0	0	1,181,160
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	11,911	0	0	0	0	0	0	0	0	0	0	0	0	11,911
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-17,365	0	0	0	0	0	0	0	0	0	0	0	0	-17,365
	426-Capitalized Interest	35,454	0	0	0	0	0	0	0	0	0	0	0	0	35,454
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	10,577	0	0	0	0	0	0	0	0	0	0	0	0	10,577
	914-Pension and Benefits Load	21,424	0	0	0	0	0	0	0	0	0	0	0	0	21,424
	915-Injuries and Damages Load	1,866	0	0	0	0	0	0	0	0	0	0	0	0	1,866
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	3,882	0	0	0	0	0	0	0	0	0	0	0	0	3,882
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	1,363,350	0	0	0	0	0	0	0	0	0	0	0	0	1,363,350
	825-Clearings	-1,363,875	0	0	0	0	0	0	0	0	0	0	0	0	-1,363,875
	Clr Sum	-1,363,875	0	0	0	0	0	0	0	0	0	0	0	0	-1,363,875
	Proj Net	-524	0	0	0	0	0	0	0	0	0	0	0	0	-524

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Project No: 91128416 Budget Tools Improvements

Company: 007-PNMR Services Co
Location: 911-Corp Alloc Financial Systems-----

Project Information

Construction Start Date 10/1/2016 Estimated Completion Date 6/30/2017

List Interim In-Service Dates

Project Need Justification

The current budget system is outdated, not compatible with “modern” hardware and operating systems, and is no longer supported by Oracle. In response to these issues, PNMR will be updating its budget system. The new system will provide improved performance, efficiency and automation. The new solution will support Annual Operating Plan (AOP), Reforecast, Rate Case, forecast vs actual analytics and other PNMR forecasting efforts.

Project Alternatives

The do nothing approach will not work in this because failure to act would lead to the continued use of an antiquated system with limited capabilities including infrastructure life cycle issues, need to manually extract data needed to compile information for internal reporting and rate cases. The project team is currently reviewing solutions from IBM/QueBIT, Oracle (Hyperion), PowerPlan and Utilities International that provide the capabilities/functionality required.

Technical Aspects

This project includes procurement and implementation of software, hardware and professional services/support. Implementation will include all phases of quality assurance testing before going into production.

Project Estimate Approach

Estimated project costs were basis on Subject Matter Expert inputs and historical financial data from other similarly scoped projects. Assumed costs will be budgeted as follows: 5% internal labor, 80% external labor, 15% materials/equipment.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	91128416	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	15,000	15,000	15,000	15,000	60,000		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	1,000,000	150,000	0	1,150,000		
370-Outside Services	0			0	0	0	70,000	268,634	70,000	408,634		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	5,327	5,327		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	40	2,450	5,582	6,917	14,989		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	1,451	1,451	1,451	1,451	5,802		
914-Pension and Benefits Load	0			0	0	2,778	2,778	2,778	2,778	11,112		
915-Injuries and Damages Load	0			0	0	252	252	252	252	1,008		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	36,200	5,430	0	41,630		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	19,521	1,128,130	449,126	101,724	1,698,502		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	19,521	1,128,130	449,126	101,724	1,698,502		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	91128416	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	60,000	7,200	7,200	7,200	720	7,200	9,550	0	0	0	0	0	0	99,070	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	1,150,000	30,000	11,250	11,250	11,250	11,250	11,250	0	0	0	0	0	0	1,236,250	
370-Outside Services	408,634	90,000	90,000	90,000	94,368	95,000	95,000	0	0	0	0	0	0	963,002	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	5,327	0	0	0	0	0	45	0	0	0	0	0	0	5,372	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	14,989	7,505	7,290	8,595	8,839	9,666	9,816	0	0	0	0	0	0	66,700	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	5,802	511	511	511	51	511	678	0	0	0	0	0	0	8,576	
914-Pension and Benefits Load	11,112	1,379	1,379	1,379	138	1,379	1,829	0	0	0	0	0	0	18,594	
915-Injuries and Damages Load	1,008	99	99	99	10	99	131	0	0	0	0	0	0	1,543	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	41,630	2,145	804	804	804	804	804	0	0	0	0	0	0	47,797	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	1,698,502	138,839	118,533	119,838	116,181	125,909	129,103	0	0	0	0	0	0	2,446,904	
825-Clearings	0	0	0	0	0	0	-2,446,904	0	0	0	0	0	0	-2,446,904	
Clr Sum	0	0	0	0	0	0	-2,446,904	0	0	0	0	0	0	-2,446,904	
Proj Net	1,698,502	138,839	118,533	119,838	116,181	125,909	-2,317,801	0	0	0	0	0	0	0	

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	91128416	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	99,070	0	0	0	0	0	0	0	0	0	0	0	0	99,070
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	1,236,250	0	0	0	0	0	0	0	0	0	0	0	0	1,236,250
	370-Outside Services	963,002	0	0	0	0	0	0	0	0	0	0	0	0	963,002
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	5,372	0	0	0	0	0	0	0	0	0	0	0	0	5,372
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	66,700	0	0	0	0	0	0	0	0	0	0	0	0	66,700
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	8,576	0	0	0	0	0	0	0	0	0	0	0	0	8,576
	914-Pension and Benefits Load	18,594	0	0	0	0	0	0	0	0	0	0	0	0	18,594
	915-Injuries and Damages Load	1,543	0	0	0	0	0	0	0	0	0	0	0	0	1,543
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	47,797	0	0	0	0	0	0	0	0	0	0	0	0	47,797
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	2,446,904	0	0	0	0	0	0	0	0	0	0	0	0	2,446,904
	825-Clearings	-2,446,904	0	0	0	0	0	0	0	0	0	0	0	0	-2,446,904
	Clr Sum	-2,446,904	0	0	0	0	0	0	0	0	0	0	0	0	-2,446,904
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Project No: 91128915 OpenPages Replacement

Company: 007-PNMR Services Co
Location: 911-Corp Alloc Financial Systems-----

Project Information

Construction Start Date 3/1/2015 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

0

Project Need Justification

PNM Audit Services currently depends on IBM's OpenPages Audit and Financial Controls Management Modules to perform and manage audit and Sarbanes-Oxley Act (SOX) work and to assist with ensuring compliance with several other regulatory requirements. The accuracy of audit reporting and SOX documentation records is crucial to maintaining regulatory compliance, developing appropriate mitigation plans when deficiencies are noted, and ensuring compliance with mitigation those plans. PNMR terminated the support agreement for OpenPages three years ago and they system is no longer supported by the vendor. Recently, the system has experienced reliability issues which makes it unstable. In addition, the system currently resides on a Windows Server 2003 platform with an Oracle v10.2 database, both of which present security risks as support for these systems expired in 2015. This projects involves replacing the current version of OpenPages Audit & FCM Modules, with a new solution that will: (1) be compliant with IT standards for operating systems and database versions by choosing a system that meets technology requirements; (2) be supported by the vendor under annual maintenance and support agreement; (3) be routinely upgraded and patched, maintaining compliance with our IT lifecycle management schedule; (4) meet the requirements of the Audit Services group; (5) meet SOX requirements that are mandated by Securities and Exchange Commission (SEC) regulations, and (6) allow for documentation requirements to meet International Professional Practices Framework.

Project Alternatives

A POC (proof of concept) was pursued to determine if the current system could be upgraded to meet the requirements. However, this effort showed that it was not possible to upgrade the current system and therefore it was decided that it should be replaced. While this is predominantly a technology-driven project, Audit Services is taking the opportunity to seek out a viable solution that more fully meets their business requirements and to take advantage of any process improvements to be leveraged from a new system. BWISE (a product of NASDAQ) has been selected to replace OpenPages after careful consideration. An initial request for information was sent to BWISE, IBM, MetricStream, RSA, TeamMate and Thompson Reuters. The selection process narrowed vendors down to four. A request for quote (RFQ) was then issued to BWISE, IBM, MetricStream, RSA. Demos were provided by all four vendors. Vendors were further narrowed down to BWISE and MetricStream. After 2nd round of demos, MetricStream proved they were unable to manage "test" data provided by PNMR and did not fully understand PNMR's needs. BWISE met requirements for both Audit Services and SOX groups (which was a key criteria in vendor selection). Several vendors we eliminated due to their limited strength in only a few areas. This thorough process eliminated the possibility of setting up separate applications for each group. Thoroughly vetting the vendors and several iterations of demonstrations provided one solution for all of Audit Services' needs, which is BWISE.

Technical Aspects

Procurement of new audit software tool, hardware platform and implementation of this system to include all phases of quality assurance testing before going into production.

Project Estimate Approach

Cost estimates were provided by Subject Matter Experts from our Corporate Systems Application Support team, and were based on vendor quotes for required hardware, software and implementation support, and historical data from previous application replacement IT projects.

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	91128915	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	24,104			5,000	5,000	5,000	0	0	0	39,104		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	101,695			20,000	20,000	50,000	0	0	0	191,695		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	507	0	0	0	507		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	10,819			2,011	2,139	2,156	0	0	0	17,124		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	2,630			484	484	484	0	0	0	4,081		
914-Pension and Benefits Load	5,059			926	926	926	0	0	0	7,837		
915-Injuries and Damages Load	495			84	84	84	0	0	0	747		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	2,233			0	0	0	0	0	0	2,233		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	147,034			28,504	28,632	59,156	0	0	0	263,327		
825-Clearings	0			0	0	-549,805	0	0	0	-549,805		
Clr Sum	0			0	0	-549,805	0	0	0	-549,805		
Proj Net	147,034			28,504	28,632	-490,649	0	0	0	-286,478		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	91128915	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	39,104	0	0	0	0	0	0	0	0	0	0	0	0	39,104
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	191,695	0	0	0	0	0	0	0	0	0	0	0	0	191,695
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	507	0	0	0	0	0	0	0	0	0	0	0	0	507
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	17,124	0	0	0	0	0	0	0	0	0	0	0	0	17,124
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	4,081	0	0	0	0	0	0	0	0	0	0	0	0	4,081
	914-Pension and Benefits Load	7,837	0	0	0	0	0	0	0	0	0	0	0	0	7,837
	915-Injuries and Damages Load	747	0	0	0	0	0	0	0	0	0	0	0	0	747
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	2,233	0	0	0	0	0	0	0	0	0	0	0	0	2,233
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	263,327	0	0	0	0	0	0	0	0	0	0	0	0	263,327
	825-Clearings	-549,805	0	0	0	0	0	0	0	0	0	0	0	0	-549,805
	Clr Sum	-549,805	0	0	0	0	0	0	0	0	0	0	0	0	-549,805
	Proj Net	-286,478	0	0	0	0	0	0	0	0	0	0	0	0	-286,478

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	91128915	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	39,104	0	0	0	0	0	0	0	0	0	0	0	0	39,104
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	191,695	0	0	0	0	0	0	0	0	0	0	0	0	191,695
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	507	0	0	0	0	0	0	0	0	0	0	0	0	507
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	17,124	0	0	0	0	0	0	0	0	0	0	0	0	17,124
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	4,081	0	0	0	0	0	0	0	0	0	0	0	0	4,081
	914-Pension and Benefits Load	7,837	0	0	0	0	0	0	0	0	0	0	0	0	7,837
	915-Injuries and Damages Load	747	0	0	0	0	0	0	0	0	0	0	0	0	747
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	2,233	0	0	0	0	0	0	0	0	0	0	0	0	2,233
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	263,327	0	0	0	0	0	0	0	0	0	0	0	0	263,327
	825-Clearings	-549,805	0	0	0	0	0	0	0	0	0	0	0	0	-549,805
	Clr Sum	-549,805	0	0	0	0	0	0	0	0	0	0	0	0	-549,805
	Proj Net	-286,478	0	0	0	0	0	0	0	0	0	0	0	0	-286,478

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Project No: 94128016 Legacy EAM App-ArcFM & ArcGIS Upgrades

Company: 007-PNMR Services Co
Location: 941-Corp Alloc-Gen PNMR Utility-----

Project Information

Construction Start Date 4/1/2016 Estimated Completion Date 5/31/2017

List Interim In-Service Dates

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Project Need Justification

The purpose of this project is to successfully implement ArcFM Designer changes to support PNMR's new enterprise asset management (EAM) Maximo interface and accommodate the new Maximo work flows. The project will also include ArcGIS Runtime tool development and ArcGIS Geo-Processing service development. Additionally, a mobile ArcGIS Runtime Solution will be integrated into IBM Maximo Anywhere Inspection mobile application. PNMR is currently implementing a EAM system with the support of PwC as the Systems Integrator. As part of the EAM Mobile Inspection Solutions, mobile geographic information systems (GIS) functionalities will have to be developed to provide additional features to support the mobile inspection business process and accommodate the new Maximo workflows. A mobile ArcGIS runtime solution will be integrated into IBM Maximo Anywhere Inspection mobile application. A 3rd party vendor is required to make modification to the PNM GIS Application ArcFM to make it compatible with the Maximo mobile application and will be responsible for the implementation of the solution.

Project Alternatives

There are no alternatives, as this work is required to ensure that legacy ArcFM and ArcGIS is compatible with PNMR's new EAM (Miximo) system. The code written for the current ArcFM/GIS systems is custom and there is no one within PNMR with the requisite knowledge and experience to modify it for interface to the new Maximo system. Therefore, PNMR must solicit a proposal from a vendor who specializes in this design change and who has the experience critical to a successful and timely completion of this change.

Technical Aspects

Work will involve implementation of ArcFM Designer changes to support a Maximo interface, development of the ArcGIS Runtime tool to interface with Maximo, and development ArcGIS Geo-Processing to interface with the Maximo mobile solution. All phases of quality assurance testing will be completed before this system is commissioned.

Project Estimate Approach

Cost estimates were provided by Subject Matter Experts from our IT Applications and Drafting and Geographic Information support teams, vendor quotes for required hardware and implementation support, and historical cost and schedule data from previous ArcFM-related projects. Project costs for this effort include internal labor, outside services/support, and materials/equipment.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94128016	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
	110-Straight Time-General	23,465		10,000	10,000	10,000	10,000	10,000	10,000	83,465		
	120-Overtime-General	0		0	0	0	0	0	0	0		
	350-Material Issues-Major	0		0	0	0	0	0	0	0		
	370-Outside Services	294,108		45,000	50,000	50,000	50,000	50,000	50,000	589,108		
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0		
	377-Outside Services-Temp Labor	0		0	0	0	0	0	0	0		
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0		
	530-Employee Expense	1,855		0	0	0	0	0	0	1,855		
	610-Expenses - General	0		0	0	0	0	0	953	953		
	805-Land and Land Rights	0		0	0	0	0	0	0	0		
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0		
	829-Construction Adjustment	0		0	0	0	0	0	0	0		
	426-Capitalized Interest	2,201		1,639	1,918	2,040	2,340	2,533	2,892	15,563		
	908-Luna AR - Labor	0		0	0	0	0	0	0	0		
	909-Luna AR - Other	0		0	0	0	0	0	0	0		
	913-Payroll Taxes Load	2,577		967	967	967	967	967	967	8,379		
	914-Pension and Benefits Load	5,093		1,852	1,852	1,852	1,852	1,852	1,852	16,205		
	915-Injuries and Damages Load	686		168	168	168	168	168	168	1,694		
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0		
	921-Stores / Purchasing Load	754		0	0	0	0	0	0	754		
	922-Minor Material Load	0		0	0	0	0	0	0	0		
	925-E and S Loads	0		0	0	0	0	0	0	0		
	926-A and G Loads	357		0	0	0	0	0	0	357		
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0		
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0		
	937-San Juan AR - Other	0		0	0	0	0	0	0	0		
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0		
	Cost Sum	331,098		59,626	64,905	65,027	65,327	65,520	66,832	718,335		
	825-Clearings	0		0	0	0	0	0	0	0		
	Clr Sum	0		0	0	0	0	0	0	0		
Proj Net		331,098		59,626	64,905	65,027	65,327	65,520	66,832	718,335		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94128016	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	83,465	20,000	20,000	20,000	20,000	20,000	0	0	0	0	0	0	0	183,465
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
370-Outside Services	589,108	113,540	100,000	100,000	100,000	80,000	0	0	0	0	0	0	0	1,082,648
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	1,855	0	0	0	0	0	0	0	0	0	0	0	0	1,855
610-Expenses - General	953	0	0	0	0	0	0	0	0	0	0	0	0	953
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	15,563	3,369	3,572	4,515	4,926	5,615	0	0	0	0	0	0	0	37,562
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	8,379	1,420	1,420	1,420	1,420	1,420	0	0	0	0	0	0	0	15,479
914-Pension and Benefits Load	16,205	3,830	3,830	3,830	3,830	3,830	0	0	0	0	0	0	0	35,355
915-Injuries and Damages Load	1,694	274	274	274	274	274	0	0	0	0	0	0	0	3,064
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	754	0	0	0	0	0	0	0	0	0	0	0	0	754
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	357	0	0	0	0	0	0	0	0	0	0	0	0	357
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	718,335	142,433	129,096	130,039	130,450	111,139	0	0	0	0	0	0	0	1,361,493
825-Clearings	0	0	0	0	0	-1,365,557	0	0	0	0	0	0	0	-1,365,557
Clr Sum	0	0	0	0	0	-1,365,557	0	0	0	0	0	0	0	-1,365,557
Proj Net	718,335	142,433	129,096	130,039	130,450	-1,254,418	0	0	0	0	0	0	0	-4,064

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94128016	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	183,465	0	0	0	0	0	0	0	0	0	0	0	0	183,465
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	1,082,648	0	0	0	0	0	0	0	0	0	0	0	0	1,082,648
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	1,855	0	0	0	0	0	0	0	0	0	0	0	0	1,855
	610-Expenses - General	953	0	0	0	0	0	0	0	0	0	0	0	0	953
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	37,562	0	0	0	0	0	0	0	0	0	0	0	0	37,562
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	15,479	0	0	0	0	0	0	0	0	0	0	0	0	15,479
	914-Pension and Benefits Load	35,355	0	0	0	0	0	0	0	0	0	0	0	0	35,355
	915-Injuries and Damages Load	3,064	0	0	0	0	0	0	0	0	0	0	0	0	3,064
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	754	0	0	0	0	0	0	0	0	0	0	0	0	754
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	357	0	0	0	0	0	0	0	0	0	0	0	0	357
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	1,361,493	0	0	0	0	0	0	0	0	0	0	0	0	1,361,493
	825-Clearings	-1,365,557	0	0	0	0	0	0	0	0	0	0	0	0	-1,365,557
	Clr Sum	-1,365,557	0	0	0	0	0	0	0	0	0	0	0	0	-1,365,557
	Proj Net	-4,064	0	0	0	0	0	0	0	0	0	0	0	0	-4,064

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Project No: 94128114 Oracle BIFS \$1,148,961 \$0 \$1,148,961

Company: 007-PNMR Services Co
Location: 941-Corp Alloc-Gen PNMR Utility-----

Project Information

Construction Start Date 3/31/2014 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

Project Need Justification

This project implements the Oracle BIFS - Business Intelligence Foundation Suite for Financials and HR, and integrates directly with the current PeopleSoft Financials and HR system. The key driver for this project is to standardize business intelligence and reduce the use of one-off reporting solutions in our environment. Ultimately, reporting using a PeopleSoft-compatible tool lowers overall support costs for both Business Technology Services (BTS) and the CFO group.

Project Alternatives

The two alternatives included: 1) Do nothing and continue to operate through a non-standardized, inefficient process. 2) Pursue an integration solution from another software vendor. This option was ruled out given that are Financial and HR systems are operated on an Oracle platform (PeopleSoft). Oracle BIFS was the logical choice.

Technical Aspects

This project procures and implements the latest Oracle BIFS solution. Implementation will include all phases of Quality Assurance testing before the system is placed into production.

Project Estimate Approach

Project costs include internal labor, outside services/support, and software. Project cost estimates were developed using Cognizant vendor quote for application development, implementation (including Quality Assurance system testing), outside services/support, and Oracle vendor quotes for required software. Cognizant is currently a preferred vendor for PNM, and is on a multi-year contract to provide IT application/testing support. Internal labor cost forecasting was completed by the project team based on expected level of efforts to complete the necessary work. Internal labor costs are for a project management, IT management, business analysis and quality assurance support. Total project budget costs consist of 18% for internal labor, and 82% for materials/outside services and support provided by Cognizant and Oracle.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94128114	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
	110-Straight Time-General	87,297		8,000	0	0	0	0	0	95,297		
	120-Overtime-General	210		0	0	0	0	0	0	210		
	350-Material Issues-Major	0		0	0	0	0	0	0	0		
	370-Outside Services	807,017		25,000	0	0	0	0	0	832,017		
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0		
	377-Outside Services-Temp Labor	0		0	0	0	0	0	0	0		
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0		
	530-Employee Expense	5,000		0	0	0	0	0	0	5,000		
	610-Expenses - General	0		7,150	0	0	0	0	0	7,150		
	805-Land and Land Rights	0		0	0	0	0	0	0	0		
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0		
	829-Construction Adjustment	0		0	0	0	0	0	0	0		
	426-Capitalized Interest	65,014		5,052	0	0	0	0	0	70,066		
	908-Luna AR - Labor	0		0	0	0	0	0	0	0		
	909-Luna AR - Other	0		0	0	0	0	0	0	0		
	913-Payroll Taxes Load	9,273		774	0	0	0	0	0	10,046		
	914-Pension and Benefits Load	18,342		1,482	0	0	0	0	0	19,824		
	915-Injuries and Damages Load	1,770		134	0	0	0	0	0	1,904		
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0		
	921-Stores / Purchasing Load	5,333		0	0	0	0	0	0	5,333		
	922-Minor Material Load	0		0	0	0	0	0	0	0		
	925-E and S Loads	0		0	0	0	0	0	0	0		
	926-A and G Loads	0		0	0	0	0	0	0	0		
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0		
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0		
	937-San Juan AR - Other	0		0	0	0	0	0	0	0		
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0		
	Cost Sum	999,255		47,592	0	0	0	0	0	1,046,847		
	825-Clearings	0		-1,148,961	0	0	0	0	0	-1,148,961		
	Clr Sum	0		-1,148,961	0	0	0	0	0	-1,148,961		
Proj Net		999,255		-1,101,369	0	0	0	0	0	-102,114		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94128114	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	95,297	0	0	0	0	0	0	0	0	0	0	0	0	95,297
	120-Overtime-General	210	0	0	0	0	0	0	0	0	0	0	0	0	210
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	832,017	0	0	0	0	0	0	0	0	0	0	0	0	832,017
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	5,000	0	0	0	0	0	0	0	0	0	0	0	0	5,000
	610-Expenses - General	7,150	0	0	0	0	0	0	0	0	0	0	0	0	7,150
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	70,066	0	0	0	0	0	0	0	0	0	0	0	0	70,066
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	10,046	0	0	0	0	0	0	0	0	0	0	0	0	10,046
	914-Pension and Benefits Load	19,824	0	0	0	0	0	0	0	0	0	0	0	0	19,824
	915-Injuries and Damages Load	1,904	0	0	0	0	0	0	0	0	0	0	0	0	1,904
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	5,333	0	0	0	0	0	0	0	0	0	0	0	0	5,333
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	1,046,847	0	0	0	0	0	0	0	0	0	0	0	0	1,046,847
	825-Clearings	-1,148,961	0	0	0	0	0	0	0	0	0	0	0	0	-1,148,961
	Clr Sum	-1,148,961	0	0	0	0	0	0	0	0	0	0	0	0	-1,148,961
Proj Net		-102,114	0	0	0	0	0	0	0	0	0	0	0	0	-102,114

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94128114	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	95,297	0	0	0	0	0	0	0	0	0	0	0	0	95,297
	120-Overtime-General	210	0	0	0	0	0	0	0	0	0	0	0	0	210
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	832,017	0	0	0	0	0	0	0	0	0	0	0	0	832,017
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	5,000	0	0	0	0	0	0	0	0	0	0	0	0	5,000
	610-Expenses - General	7,150	0	0	0	0	0	0	0	0	0	0	0	0	7,150
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	70,066	0	0	0	0	0	0	0	0	0	0	0	0	70,066
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	10,046	0	0	0	0	0	0	0	0	0	0	0	0	10,046
	914-Pension and Benefits Load	19,824	0	0	0	0	0	0	0	0	0	0	0	0	19,824
	915-Injuries and Damages Load	1,904	0	0	0	0	0	0	0	0	0	0	0	0	1,904
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	5,333	0	0	0	0	0	0	0	0	0	0	0	0	5,333
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	1,046,847	0	0	0	0	0	0	0	0	0	0	0	0	1,046,847
	825-Clearings	-1,148,961	0	0	0	0	0	0	0	0	0	0	0	0	-1,148,961
	Clr Sum	-1,148,961	0	0	0	0	0	0	0	0	0	0	0	0	-1,148,961
Proj Net		-102,114	0	0	0	0	0	0	0	0	0	0	0	0	-102,114

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Project No: 94128418 PNM Utility - Program 2018

Company: 007-PNMR Services Co
Location: 941-Corp Alloc-Gen PNMR Utility-----

Project Information

Construction Start Date 1/15/2018 Estimated Completion Date 12:00:00 AM

List Interim In-Service Dates

0

Project Need Justification

This program upgrades and enhances New Mexico Operations' IT systems and processes to align and integrate key technologies needed to maintain solid business unit performance. Ongoing upgrades and modernization of these systems is required to maintain or improve operational efficiencies within the Engineering, Transmission, Distribution, Power Operations and Land Services business areas.

Project Alternatives

Implement these upgrades and enhancements or do nothing, which could increase the risk of critical system outages and downtime and/or potentially limit New Mexico Operations' ability to safely provide reliable, cost-effective and environmentally responsible power throughout the New Mexico service territory.

Technical Aspects

Hardware and software procurements and implementations. Implementation will include all phases of Quality Assurance testing before these assets are placed into production.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our New Mexico operations IT Support team. Anticipated costs and cost types are based on historical information from previous New Mexico Operations-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94128418	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94128418	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94128418	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	2,500	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	189,500
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	130,000	0	0	0	0	0	0	0	0	0	130,000
370-Outside Services	0	0	0	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	300,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	3,000	3,000
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	7	55	525	1,024	1,194	1,261	1,499	1,630	1,760	2,008	2,128	2,389	15,480
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	178	1,207	1,207	1,207	1,207	1,207	1,207	1,207	1,207	1,207	1,207	1,207	13,455
914-Pension and Benefits Load	0	479	3,256	3,256	3,256	3,256	3,256	3,256	3,256	3,256	3,256	3,256	3,256	36,289
915-Injuries and Damages Load	0	34	233	233	233	233	233	233	233	233	233	233	233	2,596
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	9,295	0	0	0	0	0	0	0	0	0	9,295
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	3,197	21,751	191,516	52,720	52,889	52,956	53,194	53,325	53,456	53,703	53,823	57,085	699,615
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-699,615	-699,615
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-699,615	-699,615
Proj Net	0	3,197	21,751	191,516	52,720	52,889	52,956	53,194	53,325	53,456	53,703	53,823	-642,530	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94228317	Year	2016									
Cost Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94228317	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	2,500	2,500	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	100,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	150,000	100,000	0	0	0	0	0	0	0	250,000
370-Outside Services	0	0	5,000	20,000	20,000	20,000	20,000	30,000	40,000	40,000	30,000	40,000	50,000	315,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	13,000	13,000
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	7	28	105	559	1,297	1,608	1,827	2,047	2,216	2,508	2,644	3,029	17,874
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	178	178	355	710	710	710	710	710	710	710	710	710	7,100
914-Pension and Benefits Load	0	479	479	958	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	19,150
915-Injuries and Damages Load	0	34	34	69	137	137	137	137	137	137	137	137	137	1,370
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	0	10,725	7,150	0	0	0	0	0	0	0	17,875
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	3,197	8,219	26,486	194,046	141,209	34,370	44,589	54,809	54,978	45,270	55,406	78,791	741,369
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-741,369	-741,369
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-741,369	-741,369
Proj Net	0	3,197	8,219	26,486	194,046	141,209	34,370	44,589	54,809	54,978	45,270	55,406	-662,579	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94228317	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	100,000	0	0	0	0	0	0	0	0	0	0	0	0	100,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	250,000	0	0	0	0	0	0	0	0	0	0	0	0	250,000
	370-Outside Services	315,000	0	0	0	0	0	0	0	0	0	0	0	0	315,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	13,000	0	0	0	0	0	0	0	0	0	0	0	0	13,000
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	17,874	0	0	0	0	0	0	0	0	0	0	0	0	17,874
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	7,100	0	0	0	0	0	0	0	0	0	0	0	0	7,100
	914-Pension and Benefits Load	19,150	0	0	0	0	0	0	0	0	0	0	0	0	19,150
	915-Injuries and Damages Load	1,370	0	0	0	0	0	0	0	0	0	0	0	0	1,370
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	17,875	0	0	0	0	0	0	0	0	0	0	0	0	17,875
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	741,369	0	0	0	0	0	0	0	0	0	0	0	0	741,369
	825-Clearings	-741,369	0	0	0	0	0	0	0	0	0	0	0	0	-741,369
	Clr Sum	-741,369	0	0	0	0	0	0	0	0	0	0	0	0	-741,369
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Company: 007-PNMR Services Co
Location: 946-Corp Alloc 100pct Bulk Power-----

<u>Construction Start Date</u>	8/15/2016	<u>Estimated Completion Date</u>	4/30/2017
<u>List Interim In-Service Dates</u>	0		

The OSI Monarch Upgrade project is required to refresh the critical, high-use applications with the latest version. This is necessary to maintain technical support from the vendor, OSI. The latest Monarch version introduces new tools and capabilities for the system operators (i.e. Power Operations and Wholesale Power Marketing) and Engineers. Upgrading the Monarch applications now will minimize database conversions for the full Monarch upgrade planned for the near future. The OSI Monarch Energy Management System (EMS) is a computer-aided system used by the System Operators to monitor, control, and optimize the performance of the generation fleet and the Bulk Electric Transmission system via power network applications. The EMS also includes Automatic Generation Control that performs power plant automatic regulation to maintain balance between load demand and total generation. The EMS also includes an Operator Training Simulator that it is utilized as a training tool for control center System Operators.

There are no alternatives. An upgrade is required to this critical system as it will no longer supported by the vendor. Doing nothing would increase the risk of system downtime and the cybersecurity vulnerabilities.

Hardware and software procurements, development and implementation. Implementation will include all phases of Quality Assurance testing before these assets are placed into production.

Cost estimates have been provided by Subject Matter Experts from our Enterprise Systems and Storage team, and vendor quotes for hardware, software and implementation support. Costs and related cost types are expected to be allocated at 25% for internal labor, 14% for materials, and 61% for outside services and support.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94628116	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	3,500	3,500	3,500	3,500	7,000	21,000		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	200,000	0	0	0	0	200,000		
370-Outside Services	0			0	0	33,000	37,000	35,000	45,000	150,000		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	9,607	9,607		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-1,137	-1,102	-1,137	-3,377		
426-Capitalized Interest	0			0	476	959	1,140	1,270	1,528	5,374		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	338	338	338	338	677	2,031		
914-Pension and Benefits Load	0			0	648	648	648	648	1,296	3,889		
915-Injuries and Damages Load	0			0	59	59	59	59	118	353		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	7,240	0	0	0	0	7,240		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	212,262	38,505	41,548	39,713	64,089	396,116		
825-Clearings	0			0	0	0	0	0	-396,116	-396,116		
Clr Sum	0			0	0	0	0	0	-396,116	-396,116		
Proj Net	0			0	212,262	38,505	41,548	39,713	-332,028	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94628116	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	21,000	7,500	7,500	7,500	7,500	0	0	0	0	0	0	0	0	51,000	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	200,000	0	0	0	0	0	0	0	0	0	0	0	0	200,000	
370-Outside Services	150,000	50,000	50,000	50,000	75,000	0	0	0	0	0	0	0	0	375,000	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	9,607	0	0	0	7,200	0	0	0	0	0	0	0	0	16,807	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	-3,377	-126	-114	0	0	0	0	0	0	0	0	0	0	-3,618	
426-Capitalized Interest	5,374	126	344	637	936	0	0	0	0	0	0	0	0	7,418	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	2,031	533	533	533	533	0	0	0	0	0	0	0	0	4,161	
914-Pension and Benefits Load	3,889	1,436	1,436	1,436	1,436	0	0	0	0	0	0	0	0	9,634	
915-Injuries and Damages Load	353	103	103	103	103	0	0	0	0	0	0	0	0	764	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	7,240	0	0	0	0	0	0	0	0	0	0	0	0	7,240	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	396,116	59,572	59,801	60,209	92,707	0	0	0	0	0	0	0	0	668,406	
825-Clearings	-396,116	0	0	0	-272,289	0	0	0	0	0	0	0	0	-668,406	
Clr Sum	-396,116	0	0	0	-272,289	0	0	0	0	0	0	0	0	-668,406	
Proj Net	0	59,572	59,801	60,209	-179,582	0	0	0	0	0	0	0	0	0	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94628116	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	51,000	0	0	0	0	0	0	0	0	0	0	0	0	51,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	200,000	0	0	0	0	0	0	0	0	0	0	0	0	200,000
	370-Outside Services	375,000	0	0	0	0	0	0	0	0	0	0	0	0	375,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	16,807	0	0	0	0	0	0	0	0	0	0	0	0	16,807
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-3,618	0	0	0	0	0	0	0	0	0	0	0	0	-3,618
	426-Capitalized Interest	7,418	0	0	0	0	0	0	0	0	0	0	0	0	7,418
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	4,161	0	0	0	0	0	0	0	0	0	0	0	0	4,161
	914-Pension and Benefits Load	9,634	0	0	0	0	0	0	0	0	0	0	0	0	9,634
	915-Injuries and Damages Load	764	0	0	0	0	0	0	0	0	0	0	0	0	764
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	7,240	0	0	0	0	0	0	0	0	0	0	0	0	7,240
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	668,406	0	0	0	0	0	0	0	0	0	0	0	0	668,406
	825-Clearings	-668,406	0	0	0	0	0	0	0	0	0	0	0	0	-668,406
	Clr Sum	-668,406	0	0	0	0	0	0	0	0	0	0	0	0	-668,406
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94628318	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94628318	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94628318	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	2,500	10,000	15,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	207,500
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	250,000	500,000	500,000	250,000	0	0	0	0	44,000	0	0	1,544,000
370-Outside Services	0	0	0	15,000	35,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	410,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	40,000	0	0	0	0	0	0	40,000
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	7	566	2,482	4,882	6,584	6,732	132	380	613	972	1,269	1,564	26,184
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	178	710	1,065	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	14,733
914-Pension and Benefits Load	0	479	1,915	2,873	3,830	3,830	3,830	3,830	3,830	3,830	3,830	3,830	3,830	39,736
915-Injuries and Damages Load	0	34	137	206	274	274	274	274	274	274	274	274	274	2,843
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	17,875	35,750	35,750	17,875	0	0	0	0	3,146	0	0	110,396
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	3,197	281,203	572,375	601,156	344,983	117,256	70,656	70,904	71,137	118,642	71,793	72,088	2,395,392
825-Clearings	0	0	0	0	0	0	-1,920,172	0	0	0	0	0	-475,220	-2,395,392
Clr Sum	0	0	0	0	0	0	-1,920,172	0	0	0	0	0	-475,220	-2,395,392
Proj Net	0	3,197	281,203	572,375	601,156	344,983	-1,802,915	70,656	70,904	71,137	118,642	71,793	-403,133	0

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Project No: 96328018 CPR Telecom 2018

Company: 007-PNMR Services Co
Location: 963-Corp Alloc-IT-Telecomms-----

Project Information

Construction Start Date 2/1/2018 Estimated Completion Date

List Interim In-Service Dates

0

Project Need Justification

This project is part of PNMR's annual refresh of telecommunications hardware such as routers, bridges and switches that are at end of life and warranty (typically occurs after 5 years in service. This is an on-going effort to replace of outdated telecommunications equipment through ongoing reinvestment. Each year, telecommunications hardware remains in service beyond its useful life there are negative impacts on the operability and reliability of the equipment. Eventually, the operational expenses associated with repairing and maintaining the equipment become greater than the remaining value of the asset, and therefore the cost effective solution is to replace the asset.

Project Alternatives

Alternatives for equipment replacement are evaluated on a case-by-case basis. Typically, equipment is replaced with the standard model at the time of replacement.

Technical Aspects

Procurement and replacement of outdated telecommunications hardware throughout New Mexico service territories. Implementation will include all phases of quality assurance testing before the systems are placed into production. The hardware and software vendors we use for required, on-going asset procurements have knowledge and of our current telecommunications architecture, so there is normally not an extensive selection process, unless we need a specialized asset that are partnered vendors don't carry.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our Telecommunications team. Anticipated costs and cost types are based on historical information from previous Computer Platform Refresh Telecom projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96328018	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96328018	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96328018	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	0	2,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	8,000	8,000	70,500
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	55,000	62,310	467,310
370-Outside Services	0	0	0	0	0	0	11,960	0	0	0	0	0	0	11,960
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	0	6	32	179	423	626	902	1,091	1,273	1,540	1,721	2,040	9,834
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	0	178	462	462	462	462	462	462	462	462	568	568	5,006
914-Pension and Benefits Load	0	0	479	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,245	1,532	1,532	13,501
915-Injuries and Damages Load	0	0	34	89	89	89	89	89	89	89	89	110	110	966
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	0	3,575	3,575	3,575	3,575	3,575	3,575	3,575	3,933	4,455	33,413
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	0	3,197	8,327	62,050	62,293	74,456	62,772	62,962	63,143	63,410	70,863	79,015	612,489
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-612,489	-612,489
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-612,489	-612,489
Proj Net	0	0	3,197	8,327	62,050	62,293	74,456	62,772	62,962	63,143	63,410	70,863	-533,474	0

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Project No: 96328314 NM_TX Voice System Replacement

Company: 007-PNMR Services Co
Location: 963-Corp Alloc-IT-Telecomms-----

Project Information

Construction Start Date 1/1/2017 Estimated Completion Date 12/31/2018

List Interim In-Service Dates
12/1/2017, 12/1/2018

Project Need Justification

The purpose of this project is to replace older and unsupported Private Branch Exchange (PBX) and telephone key systems with the more modern Voice of Internet Protocol(VOIP) technology for the New Mexico and Texas voice systems. Many of the PBX and key systems throughout our service territories in New Mexico and Texas are hardware-oriented systems that are at least 15 years old. These assets have fully depreciated and are no longer supported by the product vendors. Migrating to VOIP technology will reduce cost associated with technical support and maintenance, and provide the company with greater mobility, flexibility, and performance in respect to communication capabilities.

Project Alternatives

The only alternative is to do nothing and continue to use and maintain this antiquated hardware. The do nothing approach places the company at a significant risk of hardware failures, system disruptions, customer dissatisfaction and costly maintenance to keep unsupported equipment on-line. Therefore, the only viable solution is the one selected to replace old, unsupported telephone assets in NM and TX with new supported equipment.

Technical Aspects

Work will involve the procurement and implantation of new hardware and software telephony solutions throughout New Mexico and Texas service territories. Implementation will include all phases of quality assurance testing before these assets are placed into production. Our assessment and determination of which equipment assets should be replaced and when was facilitated by two telecommunication companies: TRC and Advanced Network Management (ANM)

Project Estimate Approach

Project costs include internal labor, outside services/support, hardware and software. Project cost estimates were developed using vendor quotes from ANM for outside services/support, and Cisco branded hardware and software quotes from Zones (Zones is PNM's preferred vendor). Internal labor cost forecasting was completed by the project team based on the expected level of effort to complete the necessary work. Internal resources needed for this project include telecommunications management and telecommunications technicians. Total project budget costs consist of 8% for internal labor, and 92% for materials/outside services and support provided by ANM and Zones. Project costs needed to upgrade Texas assets are not included in this budget.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96328314	Year	2016	Jul	Aug	Sep	Oct	Nov	Dec	Total
	Cost_Type	Bal 6/30/16								
	110-Straight Time-General	27,750		0	15,000	15,000	15,000	15,000	15,000	102,750
	120-Overtime-General	308		0	0	0	0	0	0	308
	350-Material Issues-Major	0		0	100,000	150,000	100,000	100,000	0	450,000
	370-Outside Services	143,464		0	40,000	40,000	40,000	40,000	35,000	338,464
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	27,335		0	0	0	0	0	0	27,335
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0
	530-Employee Expense	265		0	0	0	0	0	0	265
	610-Expenses - General	0		0	0	10,000	10,000	13,000	8,880	41,880
	805-Land and Land Rights	0		0	0	0	0	0	0	0
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0
	829-Construction Adjustment	0		0	0	0	-363	-351	-363	-1,076
	426-Capitalized Interest	13,343		13	380	1,158	363	1,064	1,604	17,925
	908-Luna AR - Labor	0		0	0	0	0	0	0	0
	909-Luna AR - Other	0		0	0	0	0	0	0	0
	913-Payroll Taxes Load	2,847		0	1,451	1,451	1,451	1,451	1,451	10,100
	914-Pension and Benefits Load	5,971		0	2,778	2,778	2,778	2,778	2,778	19,861
	915-Injuries and Damages Load	513		0	252	252	252	252	252	1,773
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0
	921-Stores / Purchasing Load	1,304		0	3,620	5,430	3,620	3,620	0	17,594
	922-Minor Material Load	0		0	0	0	0	0	0	0
	925-E and S Loads	0		0	0	0	0	0	0	0
	926-A and G Loads	0		0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0
	937-San Juan AR - Other	0		0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0
	Cost Sum	223,101		13	163,480	226,068	173,101	176,813	64,602	1,027,179
	825-Clearings	-250,898		0	0	-392,442	0	0	-414,517	-1,057,856
	Cir Sum	-250,898		0	0	-392,442	0	0	-414,517	-1,057,856
Proj Net		-27,797		13	163,480	-166,374	173,101	176,813	-349,914	-30,677

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96328314	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	102,750	0	2,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	129,750
	120-Overtime-General	308	0	0	0	0	0	0	0	0	0	0	0	0	308
	350-Material Issues-Major	450,000	0	0	40,000	80,000	40,000	0	0	0	0	0	0	0	610,000
	370-Outside Services	338,464	0	0	0	30,000	30,000	30,000	30,000	30,000	30,000	30,000	20,000	0	568,464
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	27,335	0	0	0	0	0	0	0	0	0	0	0	0	27,335
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	265	0	0	0	0	0	0	0	0	0	0	0	0	265
	610-Expenses - General	41,880	0	0	0	0	0	0	0	0	0	236	0	0	42,116
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-1,076	0	0	0	0	0	0	0	0	0	0	0	0	-1,076
	426-Capitalized Interest	17,925	0	5	109	449	885	1,080	1,260	1,413	1,516	1,719	1,793	1,923	30,079
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	10,100	0	142	178	178	178	178	178	178	178	178	178	178	12,017
	914-Pension and Benefits Load	19,861	0	383	479	479	479	479	479	479	479	479	479	479	25,032
	915-Injuries and Damages Load	1,773	0	27	34	34	34	34	34	34	34	34	34	34	2,143
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	17,594	0	0	2,860	5,720	2,860	0	0	0	0	0	0	0	29,034
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	1,027,179	0	2,557	46,160	119,360	76,936	34,271	34,451	34,604	34,707	35,146	24,984	5,114	1,475,466
	825-Clearings	-1,057,856	0	0	0	0	0	0	0	0	0	0	0	-448,287	-1,506,143
	Clr Sum	-1,057,856	0	0	0	0	0	0	0	0	0	0	0	-448,287	-1,506,143
	Proj Net	-30,677	0	2,557	46,160	119,360	76,936	34,271	34,451	34,604	34,707	35,146	24,984	-443,174	-30,677

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96328314	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	129,750	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	151,750
120-Overtime-General	308	0	0	0	0	0	0	0	0	0	0	0	0	308
350-Material Issues-Major	610,000	0	0	25,000	30,000	35,000	0	0	0	0	0	0	0	700,000
370-Outside Services	568,464	0	0	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	10,000	0	683,464
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	27,335	0	0	0	0	0	0	0	0	0	0	0	0	27,335
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	265	0	0	0	0	0	0	0	0	0	0	0	0	265
610-Expenses - General	42,116	0	0	0	0	0	0	0	0	0	7,683	0	0	49,799
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	-1,076	0	0	0	0	0	0	0	0	0	0	0	0	-1,076
426-Capitalized Interest	30,079	0	5	75	240	443	530	614	655	696	797	839	895	35,868
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	12,017	0	142	142	142	142	142	142	142	142	142	142	142	13,579
914-Pension and Benefits Load	25,032	0	383	383	383	383	383	383	383	383	383	383	383	29,245
915-Injuries and Damages Load	2,143	0	27	27	27	27	27	27	27	27	27	27	27	2,445
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	29,034	0	0	1,788	2,145	2,503	0	0	0	0	0	0	0	35,469
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	1,475,466	0	2,557	29,415	49,938	55,498	18,082	18,167	18,207	18,248	26,033	13,392	3,447	1,728,450
825-Clearings	-1,506,143	0	0	0	0	0	0	0	0	0	0	0	-252,983	-1,759,127
Clr Sum	-1,506,143	0	0	0	0	0	0	0	0	0	0	0	-252,983	-1,759,127
Proj Net	-30,677	0	2,557	29,415	49,938	55,498	18,082	18,167	18,207	18,248	26,033	13,392	-249,536	-30,677

Project No: 96328414 SJ DWDM Upgrade

Company: 007-PNMR Services Co
Location: -----

Project Information

Construction Start Date 9/24/2014 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

Project Need Justification

Replace the current San Juan Generating Station's fiber multiplexing unit (DWDM) with a new Fujitsu DWDM standard system. This upgrade will ensure PNM's compliance with NERC communications requirements by correcting performance issues on the existing system and by allowing the centralized monitoring of the communications supporting PNM's Generation and Northwest Switching Station operations. The proposed system addresses future capacity issues as higher bandwidth applications are deployed at the San Juan Plant, and it resolves PNM's PathNet fiber constraints for services into and out of Rio Puerco Switching Station, the Torreon regional site and SJGS. The system will support and/or provide protected (loop) service for all of PNM's switching stations in the Northwest region of the State.

Project Alternatives

Continue using existing system. This system has technical weaknesses, which creates the risk of outages and data errors every time a new service is provisioned on its path. Also, if the fiber characteristics change over time, such as new splices/fiber optic losses along the path, and these changes can result in path errors that can be difficult to troubleshoot/resolve. The new system has the ability to compensate for these changes.

Technical Aspects

This improvement is required to maintain reliable communications into PNM's Primary Control Center and backup control center from the Company's critical switching station and generation station assets in Northwestern New Mexico. The system will integrate with PNM's Fujitsu Platform where these critical communication links will be monitored for events and/or potential problems that could impact PNM's supervisory control and data acquisition operations or protective relaying systems. The Fujitsu system was sourced as it will integrate with the existing monitoring platform and it also reduces future maintenance and support requirement from PNM's staff.

Project Estimate Approach

Firm fixed price vendor quotes.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96328414	Year	2016									
Cost Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	351			0	0	0	0	0	0	351		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	53,509			0	0	0	0	0	0	53,509		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	3,236			0	0	0	0	0	0	3,236		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	57,096			0	0	0	0	0	0	57,096		
825-Clearings	0			-540,054	0	0	0	0	0	-540,054		
Clr Sum	0			-540,054	0	0	0	0	0	-540,054		
Proj Net	57,096			-540,054	0	0	0	0	0	-482,958		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96328414	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	351	0	0	0	0	0	0	0	0	0	0	0	0	351
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	53,509	0	0	0	0	0	0	0	0	0	0	0	0	53,509
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	3,236	0	0	0	0	0	0	0	0	0	0	0	0	3,236
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	57,096	0	0	0	0	0	0	0	0	0	0	0	0	57,096
	825-Clearings	-540,054	0	0	0	0	0	0	0	0	0	0	0	0	-540,054
	Clr Sum	-540,054	0	0	0	0	0	0	0	0	0	0	0	0	-540,054
	Proj Net	-482,958	0	0	0	0	0	0	0	0	0	0	0	0	-482,958

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96328414	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	351	0	0	0	0	0	0	0	0	0	0	0	0	351
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	53,509	0	0	0	0	0	0	0	0	0	0	0	0	53,509
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	3,236	0	0	0	0	0	0	0	0	0	0	0	0	3,236
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	57,096	0	0	0	0	0	0	0	0	0	0	0	0	57,096
	825-Clearings	-540,054	0	0	0	0	0	0	0	0	0	0	0	0	-540,054
	Clr Sum	-540,054	0	0	0	0	0	0	0	0	0	0	0	0	-540,054
	Proj Net	-482,958	0	0	0	0	0	0	0	0	0	0	0	0	-482,958

Project No: 96828015 TIBCO Platform Upgrade

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 2/27/2016 Estimated Completion Date 3/31/2017

List Interim In-Service Dates

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Project Need Justification

TIBCO Business Works (BW) is the main platform for PNMR’s service-oriented architecture (SOA). SOA is an IT foundational software that connects our systems and applications to allow data and information to be accessible across the company. The current version (5.12) will be out of vendor support by March 2017, therefore this project upgrades to version 6 (v6). It is critical that the upgrade be performed in a seamless manner. We must keep our integration platform updated in order to ensure that we are compliant with our product support agreement. Implementation to this newer product will provide a new TIBCO Enterprise Administration portal which will allow employees to view status of services, performance, and increase the visibility into integration activities

Project Alternatives

As the current system will no longer be supported in early 2017, PNMR has to perform an upgrade. An alternative to the one selected would be to upgrade to version 5.13 (v5.13) which extends support until March 2019. Upgrading to this version was not selected because v5.13 does not have the same technological capabilities as v6, such as building restful Application Program Interfaces (APIs) to support the current generation of web and mobile requirements. Furthermore, it is expected that when v5.13 is no longer supported, it will be more difficult to transition to v6 (or whatever the most recent version of TIBCO is at that time).

Technical Aspects

Purchase new servers (TIBCO requires physical servers) and set up new platform to include EMS Red hat clusters and Dataguard, OS refresh (RHEL 7), TIBCO software components refresh (BW 6.3.1, TEA 2.2.0, EMS 8.2.2, Hawk 5.2.0, RV 8.4.4). Convert, test and migrate, in a phased approach, approximately 300 BW V 5.11 processes to V 6.X. This may require partial re-write of several services. Deploy new features and functionality to have platform ready for new development for critical capital projects (Maximo Integration, OMS , etc.)

Project Estimate Approach

Estimated project costs were basis on Subject Matter Expert inputs and historical financial data from other similarly scoped projects. Assumed costs will be budgeted as follows: 6% internal labor, 73% external labor, 21% materials/equipment.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828015	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	27,937			16,000	16,000	16,000	19,000	22,000	22,000	138,937		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	123,489			15,000	15,000	15,000	15,000	30,000	30,000	243,489		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	5,572			0	0	0	0	0	0	5,572		
610-Expenses - General	0			0	0	0	0	1,300	6,133	7,433		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	12,790			2,776	2,949	2,883	3,091	3,210	3,589	31,288		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	2,994			1,547	1,547	1,547	1,837	2,127	2,127	13,727		
914-Pension and Benefits Load	5,779			2,963	2,963	2,963	3,519	4,074	4,074	26,336		
915-Injuries and Damages Load	601			269	269	269	319	370	370	2,466		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	3,101			0	0	0	0	0	0	3,101		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	182,261			38,555	38,728	38,662	42,766	63,082	68,293	472,349		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	182,261			38,555	38,728	38,662	42,766	63,082	68,293	472,349		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828015	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	138,937	10,000	10,000	10,000	0	0	0	0	0	0	0	0	0	168,937
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
370-Outside Services	243,489	10,000	12,000	15,115	0	0	0	0	0	0	0	0	0	280,604
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	5,572	0	0	0	0	0	0	0	0	0	0	0	0	5,572
610-Expenses - General	7,433	0	0	0	0	0	0	0	0	0	0	0	0	7,433
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	31,288	3,831	3,574	4,093	0	0	0	0	0	0	0	0	0	42,787
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	13,727	710	710	710	0	0	0	0	0	0	0	0	0	15,857
914-Pension and Benefits Load	26,336	1,915	1,915	1,915	0	0	0	0	0	0	0	0	0	32,081
915-Injuries and Damages Load	2,466	137	137	137	0	0	0	0	0	0	0	0	0	2,877
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	3,101	0	0	0	0	0	0	0	0	0	0	0	0	3,101
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	472,349	26,593	28,336	31,970	0	0	0	0	0	0	0	0	0	559,248
825-Clearings	0	0	0	-975,987	0	0	0	0	0	0	0	0	0	-975,987
Clr Sum	0	0	0	-975,987	0	0	0	0	0	0	0	0	0	-975,987
Proj Net	472,349	26,593	28,336	-944,017	0	0	0	0	0	0	0	0	0	-416,739

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828015	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	168,937	0	0	0	0	0	0	0	0	0	0	0	0	168,937	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	280,604	0	0	0	0	0	0	0	0	0	0	0	0	280,604	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	5,572	0	0	0	0	0	0	0	0	0	0	0	0	5,572	
610-Expenses - General	7,433	0	0	0	0	0	0	0	0	0	0	0	0	7,433	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	42,787	0	0	0	0	0	0	0	0	0	0	0	0	42,787	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	15,857	0	0	0	0	0	0	0	0	0	0	0	0	15,857	
914-Pension and Benefits Load	32,081	0	0	0	0	0	0	0	0	0	0	0	0	32,081	
915-Injuries and Damages Load	2,877	0	0	0	0	0	0	0	0	0	0	0	0	2,877	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	3,101	0	0	0	0	0	0	0	0	0	0	0	0	3,101	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	559,248	0	0	0	0	0	0	0	0	0	0	0	0	559,248	
825-Clearings	-975,987	0	0	0	0	0	0	0	0	0	0	0	0	-975,987	
Clr Sum	-975,987	0	0	0	0	0	0	0	0	0	0	0	0	-975,987	
Proj Net	-416,739	0	0	0	0	0	0	0	0	0	0	0	0	-416,739	

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Project No: 96828017 Lifecycle Management Infrastructure - Program 2017

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 1/15/2017 Estimated Completion Date 12/31/2017

List Interim In-Service Dates

0

Project Need Justification

This program replaces, enhances, or upgrades our IT systems (e.g. servers, end user computing devices, storage, network equipment and other IT devices) that are needed to sustain the reliability and uptime of our computing environment and ensure compatibility with new IT systems that are being installed. Ongoing upgrades and modernization of this hardware is needed in order to preserve operational performance and limit cybersecurity vulnerabilities.

Project Alternatives

The only alternative is to do nothing. The do nothing approach would create the risk of incompatibility with required infrastructure upgrades, increase the number of unsupported applications in the IT environment which would cause increased risk of cybersecurity vulnerabilities, and/or limit the ability of PNMR to upgrade operating systems and other IT functionality due to incompatibility with the current version of the application.

Technical Aspects

Hardware and software procurements and implementations. Implementation will include all phases of Quality Assurance testing before these assets are placed into production.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our Infrastructure Support team. Anticipated costs and cost types are based on historical information from previous infrastructure-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828017	Year	2016									
Cost Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828017	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	2,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	85,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	220,000	0	0	0	200,000	0	0	0	0	0	420,000
370-Outside Services	0	0	0	0	10,000	10,000	10,000	10,000	20,000	20,000	20,000	20,000	20,000	140,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	1,800	1,800
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	7	31	579	1,114	1,242	1,280	1,865	2,445	2,508	2,733	2,787	3,032	19,623
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	178	533	533	533	533	533	533	533	533	533	533	533	6,035
914-Pension and Benefits Load	0	479	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	16,278
915-Injuries and Damages Load	0	34	103	103	103	103	103	103	103	103	103	103	103	1,165
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	15,730	0	0	0	14,300	0	0	0	0	0	30,030
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	3,197	9,602	245,880	20,686	20,814	20,851	235,737	32,017	32,079	32,305	32,359	34,403	719,930
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-719,930	-719,930
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-719,930	-719,930
Proj Net	0	3,197	9,602	245,880	20,686	20,814	20,851	235,737	32,017	32,079	32,305	32,359	-685,527	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828017	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	85,000	0	0	0	0	0	0	0	0	0	0	0	0	85,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	420,000	0	0	0	0	0	0	0	0	0	0	0	0	420,000
	370-Outside Services	140,000	0	0	0	0	0	0	0	0	0	0	0	0	140,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	1,800	0	0	0	0	0	0	0	0	0	0	0	0	1,800
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	19,623	0	0	0	0	0	0	0	0	0	0	0	0	19,623
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	6,035	0	0	0	0	0	0	0	0	0	0	0	0	6,035
	914-Pension and Benefits Load	16,278	0	0	0	0	0	0	0	0	0	0	0	0	16,278
	915-Injuries and Damages Load	1,165	0	0	0	0	0	0	0	0	0	0	0	0	1,165
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	30,030	0	0	0	0	0	0	0	0	0	0	0	0	30,030
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	719,930	0	0	0	0	0	0	0	0	0	0	0	0	719,930
	825-Clearings	-719,930	0	0	0	0	0	0	0	0	0	0	0	0	-719,930
	Clr Sum	-719,930	0	0	0	0	0	0	0	0	0	0	0	0	-719,930
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 96828018 Lifecycle Management Infrastructure - Program 2018

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 1/1/2018 Estimated Completion Date 12/31/2018

List Interim In-Service Dates

0

Project Need Justification

This program replaces, enhances, or upgrades our IT systems (e.g. servers, end user computing devices, storage, network equipment and other IT devices) that are needed to sustain the reliability and uptime of our computing environment and ensure compatibility with new IT systems that are being installed. Ongoing upgrades and modernization of this hardware is needed in order to preserve operational performance and limit cybersecurity vulnerabilities.

Project Alternatives

The only alternative is to do nothing. The do nothing approach would create the risk of incompatibility with required infrastructure upgrades, increase the number of unsupported applications in the IT environment which would cause increased risk of cybersecurity vulnerabilities, and/or limit the ability of PNMR to upgrade operating systems and other IT functionality due to incompatibility with the current version of the application.

Technical Aspects

Hardware and software procurements and implementations. Implementation will include all phases of Quality Assurance testing before these assets are placed into production.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our Infrastructure Support team. Anticipated costs and cost types are based on historical information from previous infrastructure-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828018	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828018	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project 96828018	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	10,000	10,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	170,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	200,000	0	0	0	50,000	0	0	0	0	0	250,000
370-Outside Services	0	0	0	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	200,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	2,500	2,500
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	28	76	664	1,265	1,375	1,378	1,673	1,849	1,929	2,138	2,211	2,429	17,015
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	710	710	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	12,070
914-Pension and Benefits Load	0	1,915	1,915	2,873	2,873	2,873	2,873	2,873	2,873	2,873	2,873	2,873	2,873	32,555
915-Injuries and Damages Load	0	137	137	206	206	206	206	206	206	206	206	206	206	2,329
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	14,300	0	0	0	3,575	0	0	0	0	0	17,875
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	12,790	12,838	254,107	40,408	40,518	40,521	94,391	40,992	41,072	41,281	41,354	44,072	704,344
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-704,344	-704,344
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-704,344	-704,344
Proj Net	0	12,790	12,838	254,107	40,408	40,518	40,521	94,391	40,992	41,072	41,281	41,354	-660,271	0

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Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

<u>Construction Start Date</u>	7/20/2015	<u>Estimated Completion Date</u>	12/31/2016
<u>List Interim In-Service Dates</u>	0		

This project upgrades our current Microsoft Enterprise Exchange 2010 to the latest vendor supported product, Microsoft Enterprise Exchange 2013. The current version of Microsoft Exchange is nearing end of life and will no longer be supported by Microsoft. Running on an unsupported platform introduces IT security concerns with the absence of regular system updates and patches provided by Microsoft. Upgrading to this new platform ensures this system remains both secure and supported. This project is also part of our broader Lifecycle Management Program that ensures PNMR uses systems that are the most up to date and still supported by the system owner.

There are no other alternatives. Staying on the unsupported platform would mean PNMR would assume the inherent risk of cybersecurity attacks, system outages, downtime, and lost data.

Software procurement and implementation. Implementation will include all phases of Quality Assurance testing before the system is placed into production.

Cost estimates were provided by Subject Matter Experts from our Infrastructure Support team, and were based on vendor quotes for required hardware and implementation support, and historical financial data from previous infrastructure-related IT projects. Outside vendor support will be needed to assist with this effort. We have a downsized list of qualified companies that have expertise in performing Microsoft Exchange upgrades. We will provide each vendor a detailed requirements document that will be packaged as part of a Request for Proposal (RFP). Internal evaluation of all RFP responses will take place, and a selection will be made based on the solution offered, timelines and total cost to implement this upgrade.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828115	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
	110-Straight Time-General	30,988		9,516	15,000	0	0	0	0	55,504		
	120-Overtime-General	0		0	0	0	0	0	0	0		
	350-Material Issues-Major	0		0	0	0	0	0	0	0		
	370-Outside Services	134,360		120,000	125,000	0	0	0	0	379,360		
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0		
	377-Outside Services-Temp Labor	0		0	0	0	0	0	0	0		
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0		
	530-Employee Expense	74		0	0	0	0	0	0	74		
	610-Expenses - General	0		740	6,533	0	0	0	0	7,273		
	805-Land and Land Rights	0		0	0	0	0	0	0	0		
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0		
	829-Construction Adjustment	0		0	0	0	0	0	0	0		
	426-Capitalized Interest	7,380		1,803	2,450	0	0	0	0	11,633		
	908-Luna AR - Labor	0		0	0	0	0	0	0	0		
	909-Luna AR - Other	0		0	0	0	0	0	0	0		
	913-Payroll Taxes Load	3,446		920	1,451	0	0	0	0	5,817		
	914-Pension and Benefits Load	6,635		1,762	2,778	0	0	0	0	11,176		
	915-Injuries and Damages Load	662		160	252	0	0	0	0	1,074		
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0		
	921-Stores / Purchasing Load	777		0	0	0	0	0	0	777		
	922-Minor Material Load	0		0	0	0	0	0	0	0		
	925-E and S Loads	0		0	0	0	0	0	0	0		
	926-A and G Loads	0		0	0	0	0	0	0	0		
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0		
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0		
	937-San Juan AR - Other	0		0	0	0	0	0	0	0		
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0		
	Cost Sum	184,323		134,901	153,463	0	0	0	0	472,687		
	825-Clearings	0		0	-622,419	0	0	0	0	-622,419		
	Clr Sum	0		0	-622,419	0	0	0	0	-622,419		
Proj Net		184,323		134,901	-468,956	0	0	0	0	-149,732		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828115	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	55,504	0	0	0	0	0	0	0	0	0	0	0	0	55,504
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	379,360	0	0	0	0	0	0	0	0	0	0	0	0	379,360
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	74	0	0	0	0	0	0	0	0	0	0	0	0	74
	610-Expenses - General	7,273	0	0	0	0	0	0	0	0	0	0	0	0	7,273
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	11,633	0	0	0	0	0	0	0	0	0	0	0	0	11,633
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	5,817	0	0	0	0	0	0	0	0	0	0	0	0	5,817
	914-Pension and Benefits Load	11,176	0	0	0	0	0	0	0	0	0	0	0	0	11,176
	915-Injuries and Damages Load	1,074	0	0	0	0	0	0	0	0	0	0	0	0	1,074
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	777	0	0	0	0	0	0	0	0	0	0	0	0	777
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	472,687	0	0	0	0	0	0	0	0	0	0	0	0	472,687
	825-Clearings	-622,419	0	0	0	0	0	0	0	0	0	0	0	0	-622,419
	Clr Sum	-622,419	0	0	0	0	0	0	0	0	0	0	0	0	-622,419
	Proj Net	-149,732	0	0	0	0	0	0	0	0	0	0	0	0	-149,732

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828115	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	55,504	0	0	0	0	0	0	0	0	0	0	0	0	55,504
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	379,360	0	0	0	0	0	0	0	0	0	0	0	0	379,360
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	74	0	0	0	0	0	0	0	0	0	0	0	0	74
	610-Expenses - General	7,273	0	0	0	0	0	0	0	0	0	0	0	0	7,273
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	11,633	0	0	0	0	0	0	0	0	0	0	0	0	11,633
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	5,817	0	0	0	0	0	0	0	0	0	0	0	0	5,817
	914-Pension and Benefits Load	11,176	0	0	0	0	0	0	0	0	0	0	0	0	11,176
	915-Injuries and Damages Load	1,074	0	0	0	0	0	0	0	0	0	0	0	0	1,074
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	777	0	0	0	0	0	0	0	0	0	0	0	0	777
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	472,687	0	0	0	0	0	0	0	0	0	0	0	0	472,687
	825-Clearings	-622,419	0	0	0	0	0	0	0	0	0	0	0	0	-622,419
	Clr Sum	-622,419	0	0	0	0	0	0	0	0	0	0	0	0	-622,419
	Proj Net	-149,732	0	0	0	0	0	0	0	0	0	0	0	0	-149,732

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Project No: 96828117 MS Enterprise License Agreement

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 4/1/2017 Estimated Completion Date 5/31/2017

List Interim In-Service Dates

0

Project Need Justification

This project is renews the Company's three year license to utilize Microsoft Enterprise License Agreement. This renewal is required per PNMR's contract with Microsoft for the company to use Microsoft products in end-user computing and Server environments.

Project Alternatives

None. PNMR is contractually required to renewal its agreement and license counts with Microsoft every three years.

Technical Aspects

This is purely a contract-related cost. No technical work needs to be performed.

Project Estimate Approach

Required costs are based on Microsoft's assessment and quote for our current and future Microsoft product license counts.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828117	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828117	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	1,350,000	0	0	0	0	0	0	0	1,350,000
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	21,784	0	0	0	0	0	0	0	21,784
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	0	0	3,154	0	0	0	0	0	0	0	3,154
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	96,525	0	0	0	0	0	0	0	96,525
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNM D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	0	0	1,471,463	0	0	0	0	0	0	0	1,471,463
	825-Clearings	0	0	0	0	0	-1,471,463	0	0	0	0	0	0	0	-1,471,463
	Clr Sum	0	0	0	0	0	-1,471,463	0	0	0	0	0	0	0	-1,471,463
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828117	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	1,350,000	0	0	0	0	0	0	0	0	0	0	0	0	1,350,000
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	21,784	0	0	0	0	0	0	0	0	0	0	0	0	21,784
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	3,154	0	0	0	0	0	0	0	0	0	0	0	0	3,154
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	96,525	0	0	0	0	0	0	0	0	0	0	0	0	96,525
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	1,471,463	0	0	0	0	0	0	0	0	0	0	0	0	1,471,463
	825-Clearings	-1,471,463	0	0	0	0	0	0	0	0	0	0	0	0	-1,471,463
	Clr Sum	-1,471,463	0	0	0	0	0	0	0	0	0	0	0	0	-1,471,463
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 96828118 PeopleSoft 9.2 Upgrade

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 6/1/2017 Estimated Completion Date 6/30/2018

List Interim In-Service Dates

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Project Need Justification

This project upgrades the current PeopleSoft hardware platform and all PeopleSoft Enterprise applications to version 9.2. The current hardware platform utilizes Microsoft Server 2008 and Red Hat Enterprise License 5 which are both nearing the end of vendor support. The updated platform has additional enterprise applications including mobile capabilities and enhanced functionality for HR, Financials & Supply Chain.

Project Alternatives

There are no other alternatives to this project, doing nothing and assume the network intrusion and cyber security risks of running these critical business applications on an unsupported and unsecure system.

Technical Aspects

Hardware and software procurement and implementation, which will include all phases of quality assurance testing before the system in placed into production.

Project Estimate Approach

Cost estimates were provided by Subject Matter Experts from our IT Corporate Systems Application (Human Resources and Financial Management) Support teams, and were based on historical cost and schedule data from previous PeopleSoft upgrade projects. Project costs for this effort will include internal labor, outside services/support, and materials/equipment.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828118	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828118	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	0	0	0	0	10,000	15,000	15,000	15,000	15,000	15,000	15,000	100,000	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	63,000	0	0	0	0	0	63,000	
370-Outside Services	0	0	0	0	0	0	0	0	0	10,000	10,000	15,000	15,737	50,737	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	0	0	0	0	0	0	26	239	467	556	703	817	1,000	3,809	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	0	0	0	0	710	1,065	1,065	1,065	1,065	1,065	1,065	7,100	
914-Pension and Benefits Load	0	0	0	0	0	0	1,915	2,873	2,873	2,873	2,873	2,873	2,873	19,150	
915-Injuries and Damages Load	0	0	0	0	0	0	137	206	206	206	206	206	206	1,370	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	0	0	0	4,505	0	0	0	0	0	4,505	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	0	0	0	0	0	0	12,788	86,886	19,610	29,699	29,846	34,960	35,880	249,671	
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Proj Net	0	0	0	0	0	0	12,788	86,886	19,610	29,699	29,846	34,960	35,880	249,671	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828118	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	100,000	30,000	30,000	30,000	30,000	30,000	30,000	0	0	0	0	0	0	280,000	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	63,000	0	0	0	0	0	0	0	0	0	0	0	0	63,000	
370-Outside Services	50,737	60,000	60,000	60,000	60,000	62,100	100,000	0	0	0	0	0	0	452,837	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	3,809	1,299	1,570	2,172	2,531	2,835	2,981	0	0	0	0	0	0	17,198	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	7,100	2,130	2,130	2,130	2,130	2,130	2,130	0	0	0	0	0	0	19,880	
914-Pension and Benefits Load	19,150	5,745	5,745	5,745	5,745	5,745	5,745	0	0	0	0	0	0	53,620	
915-Injuries and Damages Load	1,370	411	411	411	411	411	411	0	0	0	0	0	0	3,836	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	4,505	0	0	0	0	0	0	0	0	0	0	0	0	4,505	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	249,671	99,585	99,856	100,458	100,817	103,221	141,267	0	0	0	0	0	0	894,875	
825-Clearings	0	0	0	0	0	0	-894,875	0	0	0	0	0	0	-894,875	
Clr Sum	0	0	0	0	0	0	-894,875	0	0	0	0	0	0	-894,875	
Proj Net	249,671	99,585	99,856	100,458	100,817	103,221	-753,608	0	0	0	0	0	0	0	

Project No: 96828317 Windows 7 EOL Upgrade

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 6/1/2017 Estimated Completion Date 12/31/2018

List Interim In-Service Dates

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Project Need Justification

This project is to replace the Windows 7 Operating System (OS) on all PNMR desktop and laptop computers with Microsoft's latest OS standard. If this project is not implemented, all PNMR desktop and laptop machines will be running on unsupported platforms, which introduces a significant security risks for network intrusions and cybersecurity incidents.

Project Alternatives

The only other alternative available is to not implement these upgrades, which would create a significant risk to PNMR due to network and cybersecurity incidents that would most likely occur.

Technical Aspects

Work will include the procurement and installation of the new OS' to all PNMR desktop and laptop computers. Implementation will include all phases of quality assurance testing before going into use.

Project Estimate Approach

Estimated project timelines and costs were developed by Subject Matter Experts from our Infrastructure Support team using historical data from a past similar scope project, which had a cost type breakout of 18% internal labor, 81% outside services, and 1% for materials/equipment.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01										
Project	96828317	Year	2016							
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0			0	0	0	0	0	0	0
120-Overtime-General	0			0	0	0	0	0	0	0
350-Material Issues-Major	0			0	0	0	0	0	0	0
370-Outside Services	0			0	0	0	0	0	0	0
374-Outside Svcs Legal	0			0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0
530-Employee Expense	0			0	0	0	0	0	0	0
610-Expenses - General	0			0	0	0	0	0	0	0
805-Land and Land Rights	0			0	0	0	0	0	0	0
807-Non Refundable Contribution	0			0	0	0	0	0	0	0
829-Construction Adjustment	0			0	0	0	0	0	0	0
426-Capitalized Interest	0			0	0	0	0	0	0	0
908-Luna AR - Labor	0			0	0	0	0	0	0	0
909-Luna AR - Other	0			0	0	0	0	0	0	0
913-Payroll Taxes Load	0			0	0	0	0	0	0	0
914-Pension and Benefits Load	0			0	0	0	0	0	0	0
915-Injuries and Damages Load	0			0	0	0	0	0	0	0
918-San Juan AR-Labor	0			0	0	0	0	0	0	0
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0
922-Minor Material Load	0			0	0	0	0	0	0	0
925-E and S Loads	0			0	0	0	0	0	0	0
926-A and G Loads	0			0	0	0	0	0	0	0
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0
937-San Juan AR - Other	0			0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0
Cost Sum	0			0	0	0	0	0	0	0
825-Clearings	0			0	0	0	0	0	0	0
Clr Sum	0			0	0	0	0	0	0	0
Proj Net	0			0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828317	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	0	0	0	0	7,500	7,500	7,500	7,500	7,500	7,500	7,500	52,500	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	3,000	0	0	0	0	0	0	3,000	
370-Outside Services	0	0	0	0	0	0	30,000	30,000	30,000	30,000	30,000	30,000	30,000	210,000	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	14,060	14,060	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	0	0	0	0	0	0	88	267	438	592	786	931	1,170	4,272	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	0	0	0	0	533	533	533	533	533	533	533	3,728	
914-Pension and Benefits Load	0	0	0	0	0	0	1,436	1,436	1,436	1,436	1,436	1,436	1,436	10,054	
915-Injuries and Damages Load	0	0	0	0	0	0	103	103	103	103	103	103	103	719	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	0	0	215	0	0	0	0	0	0	215	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	0	0	0	0	0	0	42,874	39,838	40,010	40,164	40,357	40,502	54,801	298,547	
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-298,547	-298,547	
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-298,547	-298,547	
Proj Net	0	0	0	0	0	0	42,874	39,838	40,010	40,164	40,357	40,502	-243,745	0	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828317	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	52,500	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	160,500
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	3,000	6,000	0	0	0	0	0	0	0	0	0	0	0	9,000
370-Outside Services	210,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	49,000	633,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	14,060	0	0	0	0	0	0	0	0	0	0	0	17,258	31,318
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	4,272	113	295	526	704	861	939	1,142	1,264	1,384	1,596	1,706	1,984	16,785
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	3,728	639	639	639	639	639	639	639	639	639	639	639	639	11,396
914-Pension and Benefits Load	10,054	1,724	1,724	1,724	1,724	1,724	1,724	1,724	1,724	1,724	1,724	1,724	1,724	30,736
915-Injuries and Damages Load	719	123	123	123	123	123	123	123	123	123	123	123	123	2,199
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	215	429	0	0	0	0	0	0	0	0	0	0	0	644
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	298,547	52,028	45,781	46,011	46,190	46,347	46,425	46,628	46,750	46,870	47,082	47,192	79,728	895,576
825-Clearings	-298,547	0	0	0	0	0	0	0	0	0	0	0	-597,030	-895,576
Clr Sum	-298,547	0	0	0	0	0	0	0	0	0	0	0	-597,030	-895,576
Proj Net	0	52,028	45,781	46,011	46,190	46,347	46,425	46,628	46,750	46,870	47,082	47,192	-517,302	0

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Project No: 96828515 PNM Intranet Replacement

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 4/6/2015 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

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Project Need Justification

PNMR's intranet site "NetSource" is a principal communications medium for all of PNMR. It has been in place, and architecturally unchanged, since 2007. It was built using Microsoft (MS) FrontPage, a web design product that is no longer supported. Therefore, this system is more vulnerable to critical failures and does not have the functional capabilities required by current internal corporate communications strategies. The envisioned solution, pending thorough on-site research by our vendor, involves upgrading the site by leveraging existing capabilities in MS SharePoint (MSSP) 2013 to provide greater system stability and improved flexibility to engage employees and management. Requirements of the future system that cannot be accommodated in the current platform include use of expanded internal social media tools (e.g., interactive forums, advanced survey capabilities, etc.) and direct involvement of employees in internal corporate content creation.

Project Alternatives

The alternatives assessed were 1) do nothing and continue to use our current intranet system which would make us susceptible to security vulnerabilities and potential cyber-attacks; 2) procuring and deploying our intranet solution on an entirely new system; this option was eliminated because it would add additional costs and would require a new system; or 3) redesign the existing NetSource intranet by using a current, in-house system; given the current Enterprise SharePoint system has the capabilities to perform this Intranet function, this option was selected as it is the simplest and most cost-effective approach to delivering this solution.

Technical Aspects

This project will undertake comprehensive inventory, design, branding, and rollout of an appealing and user-friendly replacement for current company NetSource intranet site and all other internal communication channels. Leveraging capabilities built into MSSP 2013, implement appropriate social media applications, effective, easy navigation and search capabilities, and tools encouraging collaboration among employees. The project will also involve creating roles, workflow, templates, and process for adding new content and ensuring existing content is relevant, as well as creating governance processes to manage the change, communications messages, as well as other standards.

Project Estimate Approach

Cost estimates were provided by Subject Matter Experts from our IT Application and Infrastructure support teams, and were based on vendor quotes for required hardware, software and implementation support, and historical data from previous Application replacement-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828515	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
	110-Straight Time-General	22,122		13,250	13,250	13,250	10,000	0	0	71,872		
	120-Overtime-General	0		0	0	0	0	0	0	0		
	350-Material Issues-Major	0		0	0	0	0	0	0	0		
	370-Outside Services	212,161		60,000	60,000	60,000	70,000	0	0	462,161		
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0		
	377-Outside Services-Temp Labor	0		0	0	0	0	0	0	0		
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0		
	530-Employee Expense	4,526		0	0	0	0	0	0	4,526		
	610-Expenses - General	0		1,000	1,000	10,000	28,513	0	0	40,513		
	805-Land and Land Rights	0		0	0	0	0	0	0	0		
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0		
	829-Construction Adjustment	0		0	0	0	-2,355	0	0	-2,355		
	426-Capitalized Interest	5,980		1,336	1,694	1,914	2,360	0	0	13,284		
	908-Luna AR - Labor	0		0	0	0	0	0	0	0		
	909-Luna AR - Other	0		0	0	0	0	0	0	0		
	913-Payroll Taxes Load	2,350		1,281	1,281	1,281	967	0	0	7,161		
	914-Pension and Benefits Load	4,545		2,454	2,454	2,454	1,852	0	0	13,758		
	915-Injuries and Damages Load	486		223	223	223	168	0	0	1,322		
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0		
	921-Stores / Purchasing Load	1,372		0	0	0	0	0	0	1,372		
	922-Minor Material Load	0		0	0	0	0	0	0	0		
	925-E and S Loads	0		0	0	0	0	0	0	0		
	926-A and G Loads	0		0	0	0	0	0	0	0		
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0		
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0		
	937-San Juan AR - Other	0		0	0	0	0	0	0	0		
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0		
	Cost Sum	253,541		79,544	79,902	89,122	111,505	0	0	613,614		
	825-Clearings	0		0	0	0	-617,910	0	0	-617,910		
	Clr Sum	0		0	0	0	-617,910	0	0	-617,910		
Proj Net		253,541		79,544	79,902	89,122	-506,405	0	0	-4,296		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828515	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	71,872	0	0	0	0	0	0	0	0	0	0	0	0	71,872
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	462,161	0	0	0	0	0	0	0	0	0	0	0	0	462,161
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	4,526	0	0	0	0	0	0	0	0	0	0	0	0	4,526
	610-Expenses - General	40,513	0	0	0	0	0	0	0	0	0	0	0	0	40,513
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-2,355	0	0	0	0	0	0	0	0	0	0	0	0	-2,355
	426-Capitalized Interest	13,284	0	0	0	0	0	0	0	0	0	0	0	0	13,284
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	7,161	0	0	0	0	0	0	0	0	0	0	0	0	7,161
	914-Pension and Benefits Load	13,758	0	0	0	0	0	0	0	0	0	0	0	0	13,758
	915-Injuries and Damages Load	1,322	0	0	0	0	0	0	0	0	0	0	0	0	1,322
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	1,372	0	0	0	0	0	0	0	0	0	0	0	0	1,372
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	613,614	0	0	0	0	0	0	0	0	0	0	0	0	613,614
	825-Clearings	-617,910	0	0	0	0	0	0	0	0	0	0	0	0	-617,910
	Clr Sum	-617,910	0	0	0	0	0	0	0	0	0	0	0	0	-617,910
	Proj Net	-4,296	0	0	0	0	0	0	0	0	0	0	0	0	-4,296

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828515	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	71,872	0	0	0	0	0	0	0	0	0	0	0	0	71,872
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	462,161	0	0	0	0	0	0	0	0	0	0	0	0	462,161
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	4,526	0	0	0	0	0	0	0	0	0	0	0	0	4,526
	610-Expenses - General	40,513	0	0	0	0	0	0	0	0	0	0	0	0	40,513
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-2,355	0	0	0	0	0	0	0	0	0	0	0	0	-2,355
	426-Capitalized Interest	13,284	0	0	0	0	0	0	0	0	0	0	0	0	13,284
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	7,161	0	0	0	0	0	0	0	0	0	0	0	0	7,161
	914-Pension and Benefits Load	13,758	0	0	0	0	0	0	0	0	0	0	0	0	13,758
	915-Injuries and Damages Load	1,322	0	0	0	0	0	0	0	0	0	0	0	0	1,322
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	1,372	0	0	0	0	0	0	0	0	0	0	0	0	1,372
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	613,614	0	0	0	0	0	0	0	0	0	0	0	0	613,614
	825-Clearings	-617,910	0	0	0	0	0	0	0	0	0	0	0	0	-617,910
	Clr Sum	-617,910	0	0	0	0	0	0	0	0	0	0	0	0	-617,910
	Proj Net	-4,296	0	0	0	0	0	0	0	0	0	0	0	0	-4,296

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Project No: 96828817 Cybersecurity -Program 2017

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 3/1/2017 Estimated Completion Date 12/31/2017

List Interim In-Service Dates

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Project Need Justification

This program implements new IT security tools needed to keep our network and critical systems secure from viruses, network intrusions, and malware. PNMR must always assess potential system vulnerabilities and purchase and deploy security tools and measures to ensure its systems and related data are not compromised. If the systems were vulnerable, PNMR would take the risk of financial losses/penalties financial impact to the Company and negative public imaging.

Project Alternatives

None. These security tools are needed to ensure PNMR's IT systems and data are not compromised thru cyber- attacks. We regularly assess and procure new IT security tools to counter new and growing cybersecurity threats. These threats change frequently, as do the preventative tools available on the market to counter these threats.

Technical Aspects

Procurement and implementation of new hardware and software designed to secure IT systems and data. Implementation will include all phases of Quality Assurance testing before placing them into production.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our IT Cybersecurity Team. Anticipated costs and cost types are based on historical information from previous cybersecurity-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828817	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828817	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	0	0	3,000	13,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	176,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	75,000	100,000	100,000	0	0	0	0	0	0	275,000
370-Outside Services	0	0	0	0	0	20,000	45,000	45,000	45,000	45,000	45,000	45,000	50,000	340,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	0	0	8	217	762	1,417	1,997	2,316	2,552	2,955	3,174	3,618	19,017
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	0	0	213	923	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	12,496
914-Pension and Benefits Load	0	0	0	575	2,490	3,830	3,830	3,830	3,830	3,830	3,830	3,830	3,830	33,704
915-Injuries and Damages Load	0	0	0	41	178	274	274	274	274	274	274	274	274	2,411
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	0	5,363	7,150	7,150	0	0	0	0	0	0	19,663
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	0	0	3,837	97,170	153,436	179,091	72,521	72,840	73,076	73,479	73,698	79,142	878,290
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-878,290	-878,290
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-878,290	-878,290
Proj Net	0	0	0	3,837	97,170	153,436	179,091	72,521	72,840	73,076	73,479	73,698	-799,148	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828817	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	176,000	0	0	0	0	0	0	0	0	0	0	0	0	176,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	275,000	0	0	0	0	0	0	0	0	0	0	0	0	275,000
	370-Outside Services	340,000	0	0	0	0	0	0	0	0	0	0	0	0	340,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	19,017	0	0	0	0	0	0	0	0	0	0	0	0	19,017
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	12,496	0	0	0	0	0	0	0	0	0	0	0	0	12,496
	914-Pension and Benefits Load	33,704	0	0	0	0	0	0	0	0	0	0	0	0	33,704
	915-Injuries and Damages Load	2,411	0	0	0	0	0	0	0	0	0	0	0	0	2,411
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	19,663	0	0	0	0	0	0	0	0	0	0	0	0	19,663
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	878,290	0	0	0	0	0	0	0	0	0	0	0	0	878,290
	825-Clearings	-878,290	0	0	0	0	0	0	0	0	0	0	0	0	-878,290
	Clr Sum	-878,290	0	0	0	0	0	0	0	0	0	0	0	0	-878,290
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Project No: 96828818 Cybersecurity -Program 2018

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 3/1/2018 Estimated Completion Date 12:00:00 AM

List Interim In-Service Dates

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Project Need Justification

This program implements new IT security tools needed to keep PNM's network and critical systems secure from viruses, network intrusions, and malware. As a result of regular assessments of potential system vulnerabilities, it is necessary to purchase and deploy security tools and measures to ensure the enterprise systems and related data are not compromised. Undiscovered vulnerabilities in our system would lead to a significant risks which could have a severe financial impact to the Company and hurt public image.

Project Alternatives

There are no other alternatives for this project. These security tools are needed to ensure our systems and data are not compromised from cyberattacks. We regularly assess and procure new IT security tools to counter new and growing cybersecurity threats and as these threats change frequently, so must the preventative tools available to counter these threats.

Technical Aspects

Procurement and implementation of new hardware and software designed to secure IT systems and data. Implementation will include all phases of Quality Assurance testing before placing them into use.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our IT Cybersecurity Team. Anticipated costs and cost types are based on historical information from previous Cybersecurity-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828818	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828818	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828818	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	0	0	3,000	10,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	133,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	50,000	100,000	100,000	0	0	0	0	0	0	250,000
370-Outside Services	0	0	0	0	0	45,000	45,000	45,000	45,000	50,000	50,000	50,000	50,000	380,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	17,500	17,500
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	0	0	8	156	631	1,188	1,670	1,840	2,016	2,335	2,506	2,868	15,219
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	0	0	213	710	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	9,443
914-Pension and Benefits Load	0	0	0	575	1,915	2,873	2,873	2,873	2,873	2,873	2,873	2,873	2,873	25,470
915-Injuries and Damages Load	0	0	0	41	137	206	206	206	206	206	206	206	206	1,822
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	0	3,575	7,150	7,150	0	0	0	0	0	0	17,875
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	0	0	3,837	66,493	171,924	172,481	65,813	65,983	71,159	71,478	71,649	89,511	850,329
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-850,329	-850,329
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-850,329	-850,329
Proj Net	0	0	0	3,837	66,493	171,924	172,481	65,813	65,983	71,159	71,478	71,649	-760,818	0

Project No: 96828917 CPR Servers and Storage 2017

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

<u>Construction Start Date</u>	2/1/2017	<u>Estimated Completion Date</u>
<u>List Interim In-Service Dates</u>		
0		

Project Need Justification

This 2017 project is for the annual refresh of those Company IT server and storage assets that will be at end of their life and no longer supported by the respective vendors. Due to the importance of these assets to the Company, they must be consistently maintained to ensure they are in top working order. For this project servers and storage equipment that will no longer be supported and therefore need to be upgraded include several Microsoft programs, Linux and other virtual server assets, tape storage, virtual tape library assets, and test and disaster recovery environments. From a risk management perspective, these assets must be as current as possible and supported by vendor warranties.

Project Alternatives

Implement these planned annual refreshes of outdated server and storage hardware, or do nothing and assume an inherent risk of critical system outages, downtime and potential lost data.

Technical Aspects

Hardware procurement and replacement implementations. Implementation will include all phases of Quality Assurance testing before these assets are placed into production. Each year, a list of end-of-life server and storage assets is compiled and a quote is requested from Zones, PNMRs preferred hardware vendor, for specifications and pricing for compatible and available replacement assets. These assets are incrementally purchased and implemented throughout year, based on prioritization provided by the IT Infrastructure team.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our Infrastructure Support team, and are based on costs and cost type allocations from previous CPR Server/Storage projects that we implement every year.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828917	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Cir Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828917	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	46,200	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000	89,000	746,000	
370-Outside Services	0	0	0	0	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	144,000	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	0	0	10	202	577	1,027	1,403	1,877	2,319	2,676	3,209	3,543	4,154	20,997	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	298	298	298	298	298	298	298	298	298	298	298	3,280	
914-Pension and Benefits Load	0	0	804	804	804	804	804	804	804	804	804	804	804	8,847	
915-Injuries and Damages Load	0	0	58	58	58	58	58	58	58	58	58	58	58	633	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	5,220	5,220	5,220	5,220	5,220	5,220	5,220	5,220	5,220	6,364	53,339	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	0	0	5,370	83,781	100,156	100,607	100,982	101,457	101,899	102,255	102,789	103,123	120,878	1,023,296	
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-1,023,296	-1,023,296	
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-1,023,296	-1,023,296	
Proj Net	0	0	5,370	83,781	100,156	100,607	100,982	101,457	101,899	102,255	102,789	103,123	-902,419	0	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828917	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	46,200	0	0	0	0	0	0	0	0	0	0	0	0	46,200
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	746,000	0	0	0	0	0	0	0	0	0	0	0	0	746,000
	370-Outside Services	144,000	0	0	0	0	0	0	0	0	0	0	0	0	144,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	20,997	0	0	0	0	0	0	0	0	0	0	0	0	20,997
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	3,280	0	0	0	0	0	0	0	0	0	0	0	0	3,280
	914-Pension and Benefits Load	8,847	0	0	0	0	0	0	0	0	0	0	0	0	8,847
	915-Injuries and Damages Load	633	0	0	0	0	0	0	0	0	0	0	0	0	633
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	53,339	0	0	0	0	0	0	0	0	0	0	0	0	53,339
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	1,023,296	0	0	0	0	0	0	0	0	0	0	0	0	1,023,296
	825-Clearings	-1,023,296	0	0	0	0	0	0	0	0	0	0	0	0	-1,023,296
	Clr Sum	-1,023,296	0	0	0	0	0	0	0	0	0	0	0	0	-1,023,296
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Project No: 96828918 CPR Servers and Storage 2018

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

<u>Construction Start Date</u>	2/1/2018	<u>Estimated Completion Date</u>
<u>List Interim In-Service Dates</u>		
0		

Project Need Justification

This 2018 project is for the annual refresh of those Company IT server and storage assets that will be at end of their life and no longer supported by the respective vendors. Due to the importance of these assets to the Company, they must be consistently maintained to ensure they are in top working order. For this project servers and storage equipment that will no longer be supported and therefore need to be upgraded include several Microsoft programs, Linux and other virtual server assets, tape storage, virtual tape library assets, and test and disaster recovery environments. From a risk management perspective, these assets must be as current as possible and supported by vendor warranties.

Project Alternatives

Implement these planned annual refreshes of outdated server and storage hardware, or do nothing and assume an inherent risk of critical system outages, downtime and potential lost data.

Technical Aspects

Hardware procurement and replacement implementations. Implementation will include all phases of Quality Assurance testing before these assets are placed into production. Each year, a list of end-of-life server and storage assets is compiled and a quote is requested from Zones, PNMRs preferred hardware vendor, for specifications and pricing for compatible and available replacement assets. These assets are incrementally purchased and implemented throughout year, based on prioritization provided by the IT Infrastructure team.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our Infrastructure Support team, and are based on costs and cost type allocations from previous CPR Server/Storage projects that we implement every year.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828918	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Cir Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828918	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828918	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	0	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	26,400
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	45,000	432,000
370-Outside Services	0	0	0	0	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	84,600
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	0	6	121	345	568	723	968	1,143	1,311	1,568	1,724	1,995	10,472
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	0	170	170	170	170	170	170	170	170	170	170	170	1,874
914-Pension and Benefits Load	0	0	460	460	460	460	460	460	460	460	460	460	460	5,056
915-Injuries and Damages Load	0	0	33	33	33	33	33	33	33	33	33	33	33	362
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	3,075	3,075	3,075	3,075	3,075	3,075	3,075	3,075	3,075	3,218	30,888
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	0	3,069	49,258	58,882	59,106	59,260	59,505	59,680	59,849	60,105	60,262	62,675	591,651
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-591,651	-591,651
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-591,651	-591,651
Proj Net	0	0	3,069	49,258	58,882	59,106	59,260	59,505	59,680	59,849	60,105	60,262	-528,976	0

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Project No: 96829117 Records Management -Program 2017

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 1/15/2017 Estimated Completion Date 12/31/2017

List Interim In-Service Dates

0

Project Need Justification

This 2017 program upgrades and enhances the Company’s existing capabilities by introducing a new Records Management and e-Discovery functionality within our existing internal SharePoint 2013 collaboration system. In implementing this program, we will be ensuring that our business units are able to continue to effectively manage their electronic and hardcopy records from the time they are created through to their eventual disposal, on up-to-date technology. The key features of this system include identifying, classifying, storing, securing, retrieving, tracking and destroying or permanently preserving records. Ongoing upgrade and modernization to our records management systems are needed to ensure PNMR is able to protect, manage, and make available the documentation necessary to run the business and to comply with all regulations.

Project Alternatives

The only other option to this project is to do nothing and continue working with our current, antiquated records management systems, which could potentially impact the Company’s ability to produce critical records involving litigation, employee management, consultant or contractor management, customer support, purchases, sales, contracts and regulatory compliance requirements.

Technical Aspects

This project includes application development and implementation. Implementation will include all phases of Quality Assurance testing before these assets are placed into production.

Project Estimate Approach

Cost estimates were provided by Subject Matter Experts from our Records Management and IT Application SharePoint Support teams. Anticipated costs and cost types are based on subject matter expert knowledge and historical information from previous Records Management and SharePoint-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829117	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829117	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	2,500	5,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	157,500
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	45,000	0	0	0	45,000	45,000	0	0	0	0	135,000
370-Outside Services	0	0	0	0	10,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	170,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	9,500	9,500
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	7	25	185	381	542	685	979	1,361	1,590	1,821	1,938	2,207	11,722
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	178	355	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	11,183
914-Pension and Benefits Load	0	479	958	2,873	2,873	2,873	2,873	2,873	2,873	2,873	2,873	2,873	2,873	30,161
915-Injuries and Damages Load	0	34	69	206	206	206	206	206	206	206	206	206	206	2,158
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	3,218	0	0	0	3,218	3,218	0	0	0	0	9,653
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	3,197	6,406	67,545	29,524	39,685	39,828	88,340	88,722	40,733	40,964	41,081	50,850	536,876
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-536,876	-536,876
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-536,876	-536,876
Proj Net	0	3,197	6,406	67,545	29,524	39,685	39,828	88,340	88,722	40,733	40,964	41,081	-486,026	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829117	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	157,500	0	0	0	0	0	0	0	0	0	0	0	0	157,500
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	135,000	0	0	0	0	0	0	0	0	0	0	0	0	135,000
	370-Outside Services	170,000	0	0	0	0	0	0	0	0	0	0	0	0	170,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	9,500	0	0	0	0	0	0	0	0	0	0	0	0	9,500
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	11,722	0	0	0	0	0	0	0	0	0	0	0	0	11,722
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	11,183	0	0	0	0	0	0	0	0	0	0	0	0	11,183
	914-Pension and Benefits Load	30,161	0	0	0	0	0	0	0	0	0	0	0	0	30,161
	915-Injuries and Damages Load	2,158	0	0	0	0	0	0	0	0	0	0	0	0	2,158
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	9,653	0	0	0	0	0	0	0	0	0	0	0	0	9,653
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	536,876	0	0	0	0	0	0	0	0	0	0	0	0	536,876
	825-Clearings	-536,876	0	0	0	0	0	0	0	0	0	0	0	0	-536,876
	Clr Sum	-536,876	0	0	0	0	0	0	0	0	0	0	0	0	-536,876
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 96829118 Records Management -Program 2018

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 1/15/2018 Estimated Completion Date 12/31/2018

List Interim In-Service Dates

0

Project Need Justification

This 2018 program enhances the Company's existing Records Management capabilities by replacing our current Document Management (DM) system with functionality provided by our existing internal SharePoint 2013 collaboration system. Additionally, this program will allow us to implement the filing and maintenance of employee medical records within our SharePoint 2013 system. By implementing this program, we will be ensuring that our business units are able to effectively manage their electronic and hardcopy records from the time they are created through their eventual disposal, on the best systems available. The key features of this system will include identifying, classifying, storing, securing, retrieving, tracking and destroying or permanently preserving records. Ongoing upgrade and modernization of our Records Management systems help ensure PNMR is able to protect, manage, and make available the documentation necessary to comply with all regulatory requirements.

Project Alternatives

The only other option to this project is to do nothing and continue working with the current antiquated system. Not performing these enhancements would force the Company to use an aging and very expensive DM system. Not only does this system have a high support cost, but it could impact the Company's ability to produce critical records (i.e. for litigation, employee management, consultant and contractor management, customer support, purchases, sales, contracts and regulatory compliance requirements).

Technical Aspects

Hardware and software procurements, development and implementation. Implementation will include all phases of Quality Assurance testing before these assets are placed into production.

Project Estimate Approach

Cost estimates were provided by Subject Matter Experts from our Records Management and IT Application SharePoint Support teams. Anticipated costs and cost types are based on subject matter expert knowledge and historical information from previous Records Management and SharePoint-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829118	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829118	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project 96829118	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	2,500	5,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	157,500
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	45,000	45,000	0	45,000	45,000	0	0	0	0	180,000
370-Outside Services	0	0	0	0	0	20,000	20,000	20,000	20,000	20,000	20,000	25,000	20,000	165,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	1,500	1,500
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	7	25	84	264	567	739	1,002	1,279	1,460	1,652	1,748	1,958	10,784
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	178	355	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	11,183
914-Pension and Benefits Load	0	479	958	2,873	2,873	2,873	2,873	2,873	2,873	2,873	2,873	2,873	2,873	30,161
915-Injuries and Damages Load	0	34	69	206	206	206	206	206	206	206	206	206	206	2,158
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	0	3,218	3,218	0	3,218	3,218	0	0	0	0	12,870
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	3,197	6,406	19,227	67,625	87,928	39,882	88,362	88,639	40,603	40,795	45,891	42,601	571,155
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-571,155	-571,155
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-571,155	-571,155
Proj Net	0	3,197	6,406	19,227	67,625	87,928	39,882	88,362	88,639	40,603	40,795	45,891	-528,554	0

Project No: 96829417 Oracle Buy-Back from Rimini Street

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 3/1/2017 Estimated Completion Date 3/31/2017

List Interim In-Service Dates

0

Project Need Justification

Each year, PNM is required to pay a fee to Rimini Street (IT systems vendor) to provide support to our PeopleSoft enterprise-wide system. The current annual cost is \$390,000 and the funds for this project will cover the costs related to re-licensing all PeopleSoft licenses to Oracle. This will allow us to achieve significant cost savings, expected to be approximately \$152,000 annually over a 5 year period.

Project Alternatives

There are no other alternatives to this project. Renewal is necessary to continue use of this critical software and to implement this re-licensing change.

Technical Aspects

This is a licensing-only work effort, no additional changes or modifications to PNM systems or infrastructure is needed to support this initiative.

Project Estimate Approach

Project estimate is based on an initial quote provided to PNM by Oracle.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829417	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Cir Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829417	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	866,592	0	0	0	0	0	0	0	0	0	866,592
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	1,984	0	0	0	0	0	0	0	0	0	1,984
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	61,961	0	0	0	0	0	0	0	0	0	61,961
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	930,537	0	0	0	0	0	0	0	0	0	930,537
	825-Clearings	0	0	0	-930,537	0	0	0	0	0	0	0	0	0	-930,537
	Clr Sum	0	0	0	-930,537	0	0	0	0	0	0	0	0	0	-930,537
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829417	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	866,592	0	0	0	0	0	0	0	0	0	0	0	0	866,592
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	1,984	0	0	0	0	0	0	0	0	0	0	0	0	1,984
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	61,961	0	0	0	0	0	0	0	0	0	0	0	0	61,961
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	930,537	0	0	0	0	0	0	0	0	0	0	0	0	930,537
	825-Clearings	-930,537	0	0	0	0	0	0	0	0	0	0	0	0	-930,537
	Clr Sum	-930,537	0	0	0	0	0	0	0	0	0	0	0	0	-930,537
Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 96829616 Computer Platform Refresh Server/St

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

<u>Construction Start Date</u>	2/1/2016	<u>Estimated Completion Date</u>
<u>List Interim In-Service Dates</u>		
<u>Project Need Justification</u>		

This 2016 project is for the annual refresh of PNM's IT server and storage assets that have reached their end-of-life and are outside of warranty. Servers and storage equipment included in the scope of this project include Microsoft and Linux virtual server assets, tape storage, and the virtual tape library assets throughout PNM's production, test and disaster recovery environments. This hardware assets are considered Company critical, and must be under vendor warranty support.

Project Alternatives

Doing nothing would assume an inherent risk of critical system outages, downtime and potential lost data. Each year, a list of end-of-life server and storage assets is compiled and a quote is requested from Zones, PNM's preferred hardware vendor, for specifications and pricing of replacement assets. These assets are incrementally purchased and implemented throughout year based on the prioritization of the IT Infrastructure team.

Technical Aspects

Work will include hardware procurement and installation. Implementation will include all phases of Quality Assurance testing before these assets are placed into use.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our Infrastructure Support team. Anticipated costs and cost types are based on historical information from previous Computer Platform Refresh Server/Storage projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829616	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	3,588			2,400	2,400	2,400	2,400	2,400	2,400	17,988		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			16,100	27,500	115,000	100,000	85,500	100,000	444,100		
370-Outside Services	0			4,275	5,344	5,344	10,688	21,375	22,444	69,470		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	19,216	19,216		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-1,909	-1,850	-1,909	-5,669		
426-Capitalized Interest	2,155			976	1,118	1,378	1,913	2,324	2,950	12,815		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	400			232	232	232	232	232	232	1,792		
914-Pension and Benefits Load	766			444	444	444	444	444	444	3,433		
915-Injuries and Damages Load	69			40	40	40	40	40	40	311		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	1,906			583	996	4,163	3,620	3,095	3,620	17,983		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	8,884			25,051	38,074	129,002	117,429	113,561	149,438	581,439		
825-Clearings	0			0	0	0	0	0	-777,498	-777,498		
Cir Sum	0			0	0	0	0	0	-777,498	-777,498		
Proj Net	8,884			25,051	38,074	129,002	117,429	113,561	-628,060	-196,058		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829616	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	17,988	0	0	0	0	0	0	0	0	0	0	0	0	17,988
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	444,100	0	0	0	0	0	0	0	0	0	0	0	0	444,100
	370-Outside Services	69,470	0	0	0	0	0	0	0	0	0	0	0	0	69,470
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	19,216	0	0	0	0	0	0	0	0	0	0	0	0	19,216
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-5,669	0	0	0	0	0	0	0	0	0	0	0	0	-5,669
	426-Capitalized Interest	12,815	0	0	0	0	0	0	0	0	0	0	0	0	12,815
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	1,792	0	0	0	0	0	0	0	0	0	0	0	0	1,792
	914-Pension and Benefits Load	3,433	0	0	0	0	0	0	0	0	0	0	0	0	3,433
	915-Injuries and Damages Load	311	0	0	0	0	0	0	0	0	0	0	0	0	311
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	17,983	0	0	0	0	0	0	0	0	0	0	0	0	17,983
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	581,439	0	0	0	0	0	0	0	0	0	0	0	0	581,439
	825-Clearings	-777,498	0	0	0	0	0	0	0	0	0	0	0	0	-777,498
	Clr Sum	-777,498	0	0	0	0	0	0	0	0	0	0	0	0	-777,498
	Proj Net	-196,058	0	0	0	0	0	0	0	0	0	0	0	0	-196,058

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829616	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	17,988	0	0	0	0	0	0	0	0	0	0	0	0	17,988
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	444,100	0	0	0	0	0	0	0	0	0	0	0	0	444,100
	370-Outside Services	69,470	0	0	0	0	0	0	0	0	0	0	0	0	69,470
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	19,216	0	0	0	0	0	0	0	0	0	0	0	0	19,216
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-5,669	0	0	0	0	0	0	0	0	0	0	0	0	-5,669
	426-Capitalized Interest	12,815	0	0	0	0	0	0	0	0	0	0	0	0	12,815
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	1,792	0	0	0	0	0	0	0	0	0	0	0	0	1,792
	914-Pension and Benefits Load	3,433	0	0	0	0	0	0	0	0	0	0	0	0	3,433
	915-Injuries and Damages Load	311	0	0	0	0	0	0	0	0	0	0	0	0	311
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	17,983	0	0	0	0	0	0	0	0	0	0	0	0	17,983
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	581,439	0	0	0	0	0	0	0	0	0	0	0	0	581,439
	825-Clearings	-777,498	0	0	0	0	0	0	0	0	0	0	0	0	-777,498
	Clr Sum	-777,498	0	0	0	0	0	0	0	0	0	0	0	0	-777,498
	Proj Net	-196,058	0	0	0	0	0	0	0	0	0	0	0	0	-196,058

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Project No: 96829717 CPR PCs 2017

Company: 007-PNMR Services Co
Location: 964-Corp Alloc-IT Desktops-----

Project Information

Construction Start Date 2/1/2017 Estimated Completion Date

List Interim In-Service Dates

Project Need Justification

This project is part of PNMR's annual refresh of various desktop and laptop assets that are at end of life and warranty (typically occurs after 5 years in service). This is an on-going effort to replace outdated computer equipment through ongoing reinvestment. Each year PC hardware remains in service beyond its useful life there are negative impacts on the operability and reliability of the equipment. Eventually, the operational expenses associated with repairing and maintaining the equipment become greater than the remaining value of the asset, and therefore the cost effective solution is to replace the asset.

Project Alternatives

Implement this annual PC asset refresh or do nothing and assume the inherent risk of having system outages, downtime, and lost data. PNMs preferred vendor, Zones, is used for all asset procurements given their broad product line availability and purchase price discounts provided to the company.

Technical Aspects

Procurement and replacement of outdated PC hardware throughout New Mexico service territories.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our Infrastructure Desktop Support team. Anticipated costs and cost types are based on historical information from previous Computer Platform Refresh PC projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829717	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project 96829717	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	0	2,500	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	26,500
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	31,500	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000	445,500
370-Outside Services	0	0	0	0	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	103,500
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	0	6	92	299	585	828	1,130	1,413	1,643	1,983	2,199	2,564	12,742
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	0	178	170	170	170	170	170	170	170	170	170	170	1,882
914-Pension and Benefits Load	0	0	479	460	460	460	460	460	460	460	460	460	460	5,075
915-Injuries and Damages Load	0	0	34	33	33	33	33	33	33	33	33	33	33	363
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	2,252	3,289	3,289	3,289	3,289	3,289	3,289	3,289	3,289	3,289	31,853
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	0	3,197	36,907	64,151	64,437	64,680	64,982	65,265	65,495	65,834	66,050	66,415	627,414
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-627,414	-627,414
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-627,414	-627,414
Proj Net	0	0	3,197	36,907	64,151	64,437	64,680	64,982	65,265	65,495	65,834	66,050	-560,999	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829717	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	26,500	0	0	0	0	0	0	0	0	0	0	0	0	26,500
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	445,500	0	0	0	0	0	0	0	0	0	0	0	0	445,500
	370-Outside Services	103,500	0	0	0	0	0	0	0	0	0	0	0	0	103,500
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	12,742	0	0	0	0	0	0	0	0	0	0	0	0	12,742
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	1,882	0	0	0	0	0	0	0	0	0	0	0	0	1,882
	914-Pension and Benefits Load	5,075	0	0	0	0	0	0	0	0	0	0	0	0	5,075
	915-Injuries and Damages Load	363	0	0	0	0	0	0	0	0	0	0	0	0	363
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	31,853	0	0	0	0	0	0	0	0	0	0	0	0	31,853
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	627,414	0	0	0	0	0	0	0	0	0	0	0	0	627,414
	825-Clearings	-627,414	0	0	0	0	0	0	0	0	0	0	0	0	-627,414
	Clr Sum	-627,414	0	0	0	0	0	0	0	0	0	0	0	0	-627,414
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Project No: 96829718 CPR PCs 2018

Company: 007-PNMR Services Co
Location: 964-Corp Alloc-IT Desktops-----

Project Information

Construction Start Date 2/1/2018 Estimated Completion Date 12/31/2018

List Interim In-Service Dates

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Project Need Justification

This project is part of PNMR's annual refresh of various desktop and laptop assets that are at end of life and warranty (typically occurs after 5 years in service). This is an on-going effort to replace of outdated computer equipment through ongoing reinvestment. Each year PC hardware remains in service beyond its useful life there are negative impacts on the operability and reliability of the equipment. Eventually, the operational expenses associated with repairing and maintaining the equipment become greater than the remaining value of the asset, and therefore the cost effective solution is to replace the asset.

Project Alternatives

Implement this annual PC asset refresh or do nothing and assume the inherent risk of having system outages, downtime, and lost data. PNMs preferred vendor, Zones, is used for all asset procurements given their broad product line availability and purchase price discounts provided to us."

Technical Aspects

Procurement and replacement of outdated PC hardware throughout New Mexico service territories.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our Infrastructure Desktop Support team. Anticipated costs and cost types are based on historical information from previous Computer Platform Refresh PC projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829718	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829718	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829718	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	26,400	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	28,500	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000	46,000	442,500	
370-Outside Services	0	0	0	0	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	108,000	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	0	0	6	87	291	541	719	985	1,180	1,368	1,647	1,822	2,113	10,759	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	170	170	170	170	170	170	170	170	170	170	170	1,874	
914-Pension and Benefits Load	0	0	460	460	460	460	460	460	460	460	460	460	460	5,056	
915-Injuries and Damages Load	0	0	33	33	33	33	33	33	33	33	33	33	33	362	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	2,038	3,289	3,289	3,289	3,289	3,289	3,289	3,289	3,289	3,289	31,639	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	0	0	3,069	33,687	64,643	64,892	65,071	65,337	65,532	65,720	65,999	66,173	66,464	626,589	
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-626,589	-626,589	
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-626,589	-626,589	
Proj Net	0	0	3,069	33,687	64,643	64,892	65,071	65,337	65,532	65,720	65,999	66,173	-560,125	0	

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Project No: 96829826 Enterprise Asset Management

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 1/2/2015 Estimated Completion Date 9/30/2017

List Interim In-Service Dates

"Release 1: 01/23/2017Release 2: 03/06/2017Release 3: 05/15/2017"

Project Need Justification

The objective of this program is to install and Enterprise Asset Management (EAM) system that will provide the Company with enhanced capabilities in the Work and Asset Management (WAM) end-to-end process and realize its full benefits for customers and employees. The Company’s current WAM system is Passport v10 which is used by over 900 users in the company. Not only does PNMR not have a current support agreement with the vendor (Ventyx), its ability to maintain Passport’s life beyond 2017 is limited. In addition, the current system does not have the advanced functionality that is needed to support the T&D, Generation and Supply Chain operations. This needed functionality includes a robust job scheduler, improved process and work flows, and mobile capabilities. When looking at future business needs and the Company's current IT environment, rather than purchasing stand-alone systems to address the identified advanced capability needs, management determined that a better solution would be to retire some of the outdated, functionality deficient and unsupported systems and install a comprehensive long-term EAM solution. The EAM solution provides optimal lifecycle management of the physical assets of an organization. It covers multiple processes including the design, construction, commissioning, operations, maintenance and decommissioning/replacement of plant, equipment and facilities.

Project Alternatives

Given the Company's needs, doing nothing was not an option and it was determined that an EAM system was needed, To select a vendor, PNMR issues an Request for Proposal (RFP) to five product vendors to evaluate their EAM solution(s). The PNMR team evaluated the responses and participated in product demonstrations and narrowed the product selection down to Maximo for Utilities (IBM solution) and Ventyx Asset Suite products. The PNMR team ultimately selected Maximo as it most closely addressed PNMR’s requirements to provided PNMR with a robust product that not only meets the needs of the business today but also in the future. For the EAM Solution Integrator (SI) role, a second RFP was issued to five solution integrators. The PNMR team evaluated the RFP responses and on-site presentations. The top two vendors selected were IBM and PwC and each was asked to participate in a 2-day joint solution design (JSD) session with the PNMR team. After careful consideration, the PNMR team determined that PwC outperformed IBM during the JSDs by demonstrating their team’s expertise and knowledge in Maximo and provided a solid roadmap and process for the 2 year implementation. In addition, favorable market terms were negotiated in parallel and although PwC was not the lowest cost alternative they were selected as PNMR’s solution integrator as they clearly demonstrated they were the most qualified to lead PNMR down this 2-year journey towards a successful implementation.

Technical Aspects

Over a period of 2 years, the project will replace the Passport v10 system with a comprehensive long-term EAM solution (Maximo). The project will retire outdated, functionality deficient and unsupported systems and consolidate relevant WAM ancillary systems that integrate with Maximo. The system will be used by ~900 users across the enterprise.

Project Estimate Approach

An extensive Request for Proposal (RFP) was performed for the Software, Solution Integrator, and for consultants that will be used for upfront planning. The Solution Integrator provided detailed recommendations for PNM internal staffing (~25 FTEs for the project duration). This information was used to define the PNM internal labor costs. Software costs were derived from the negotiations/contract with IBM for the Maximo product. Hardware costs were estimated based on previous system implementations of similar size and scope. PNMR internal labor will perform the following functions/roles: Program and Project Management, Developers, IT Infrastructure (Network, Security, Servers, Database Administrators), Business process owners, Business subject matter experts, Application Interface Developers, and Testers. The Solution Integrator will perform the following functions/personnel: Management of the Solution Integrator team, Process Analysts, Maximo Developers, Report Developers, Data Analysts, Functional Analysts. Total project budget estimates consist of 35% for internal labor, and 65% for materials/outside services and support.

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829826	Year	2016									
Cost Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	1,018,217			183,360	185,400	182,400	186,600	183,600	186,600	2,126,177		
120-Overtime-General	5,498			0	0	0	0	0	0	5,498		
350-Material Issues-Major	0			107,000	34,240	24,075	0	107,000	0	272,315		
370-Outside Services	10,998,470			797,327	743,399	630,920	924,000	925,000	770,000	15,789,116		
374-Outside Svcs Legal	21,424			0	0	0	0	0	0	21,424		
377-Outside Services-Temp Labor	48,950			781,430	750,000	791,712	1,000,000	829,487	950,137	5,151,716		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	218,608			0	0	0	0	0	0	218,608		
610-Expenses - General	0			26,750	26,750	26,750	26,750	26,750	2,217	135,967		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-91,537	-88,703	-91,538	-271,778		
426-Capitalized Interest	475,887			72,162	80,916	82,295	91,731	97,698	109,479	1,010,167		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	105,977			17,731	17,928	17,638	18,044	17,754	18,044	213,116		
914-Pension and Benefits Load	242,707			33,958	34,336	33,780	34,558	34,003	34,558	447,901		
915-Injuries and Damages Load	55,588			3,080	3,115	3,064	3,135	3,084	3,135	74,202		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	69,891			3,873	1,239	872	0	3,873	0	79,748		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	54,819			0	0	0	0	0	0	54,819		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	13,316,035			2,026,672	1,877,323	1,793,506	2,193,282	2,139,546	1,982,632	25,328,997		
825-Clearings	0			0	0	0	0	0	0	0		
Cir Sum	0			0	0	0	0	0	0	0		
Proj Net	13,316,035			2,026,672	1,877,323	1,793,506	2,193,282	2,139,546	1,982,632	25,328,997		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829826	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	2,126,177	235,000	180,000	280,000	260,000	235,000	160,000	140,000	130,000	75,268	0	0	0	3,821,445
120-Overtime-General	5,498	155,000	155,000	155,000	155,000	155,000	155,000	125,000	0	0	0	0	0	1,060,498
350-Material Issues-Major	272,315	0	0	0	0	0	0	19,783	0	0	0	0	0	292,098
370-Outside Services	15,789,116	83,460	83,460	83,460	83,460	83,460	83,460	77,040	0	0	0	0	0	16,366,916
374-Outside Svcs Legal	21,424	0	0	0	0	0	0	0	0	0	0	0	0	21,424
377-Outside Services-Temp Labor	5,151,716	720,907	461,334	886,830	801,210	650,000	55,000	86,000	0	0	0	0	0	8,812,997
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	218,608	0	0	0	0	0	0	0	0	0	0	0	0	218,608
610-Expenses - General	135,967	26,750	32,100	32,100	32,100	26,750	42,500	498	4,876	0	0	0	0	333,641
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	-271,778	-92,565	-1,927	0	0	0	0	0	0	0	0	0	0	-366,269
426-Capitalized Interest	1,010,167	117,791	1,930	7,620	3,002	8,928	1,203	3,602	5,117	5,545	0	0	0	1,164,906
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	213,116	27,690	23,785	30,885	29,465	27,690	22,365	18,815	9,230	5,344	0	0	0	408,385
914-Pension and Benefits Load	447,901	74,685	64,153	83,303	79,473	74,685	60,323	50,748	24,895	14,414	0	0	0	974,578
915-Injuries and Damages Load	74,202	5,343	4,590	5,960	5,686	5,343	4,316	3,631	1,781	1,031	0	0	0	111,881
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	79,748	0	0	0	0	0	0	1,414	0	0	0	0	0	81,163
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	54,819	0	0	0	0	0	0	0	0	0	0	0	0	54,819
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	25,328,997	1,354,062	1,004,425	1,565,157	1,449,395	1,266,856	584,166	526,530	175,899	101,602	0	0	0	33,357,089
825-Clearings	0	-28,424,799	0	-2,569,581	0	-2,716,251	0	0	0	-1,388,197	0	0	0	-35,098,829
Clr Sum	0	-28,424,799	0	-2,569,581	0	-2,716,251	0	0	0	-1,388,197	0	0	0	-35,098,829
Proj Net	25,328,997	-27,070,737	1,004,425	-1,004,425	1,449,395	-1,449,395	584,166	526,530	175,899	-1,286,595	0	0	0	-1,741,740

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829826	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	3,821,445	0	0	0	0	0	0	0	0	0	0	0	0	3,821,445
	120-Overtime-General	1,060,498	0	0	0	0	0	0	0	0	0	0	0	0	1,060,498
	350-Material Issues-Major	292,098	0	0	0	0	0	0	0	0	0	0	0	0	292,098
	370-Outside Services	16,366,916	0	0	0	0	0	0	0	0	0	0	0	0	16,366,916
	374-Outside Svcs Legal	21,424	0	0	0	0	0	0	0	0	0	0	0	0	21,424
	377-Outside Services-Temp Labor	8,812,997	0	0	0	0	0	0	0	0	0	0	0	0	8,812,997
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	218,608	0	0	0	0	0	0	0	0	0	0	0	0	218,608
	610-Expenses - General	333,641	0	0	0	0	0	0	0	0	0	0	0	0	333,641
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-366,269	0	0	0	0	0	0	0	0	0	0	0	0	-366,269
	426-Capitalized Interest	1,164,906	0	0	0	0	0	0	0	0	0	0	0	0	1,164,906
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	408,385	0	0	0	0	0	0	0	0	0	0	0	0	408,385
	914-Pension and Benefits Load	974,578	0	0	0	0	0	0	0	0	0	0	0	0	974,578
	915-Injuries and Damages Load	111,881	0	0	0	0	0	0	0	0	0	0	0	0	111,881
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	81,163	0	0	0	0	0	0	0	0	0	0	0	0	81,163
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	54,819	0	0	0	0	0	0	0	0	0	0	0	0	54,819
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	33,357,089	0	0	0	0	0	0	0	0	0	0	0	0	33,357,089
	825-Clearings	-35,098,829	0	0	0	0	0	0	0	0	0	0	0	0	-35,098,829
	Clr Sum	-35,098,829	0	0	0	0	0	0	0	0	0	0	0	0	-35,098,829
	Proj Net	-1,741,740	0	0	0	0	0	0	0	0	0	0	0	0	-1,741,740

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Project No: 96832514 Data Center Network Refresh

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 4/3/2014 Estimated Completion Date 12/31/2018

List Interim In-Service Dates
12/2015; 12/2016; 06/2017

Project Need Justification

This multi-year project, originally started in 2014, involves replacing and upgrading infrastructure core switches and firewalls in the data center. Through their lifespan is usually 3-5 years, this particular equipment has been used for approximately 10 years. Additionally, the new equipment will be installed in a manner that will allow segmentation to enhance overall network security. This will also eliminate the risks that having one data center pose as a single point of failure.

Project Alternatives

One alternative is to do nothing, and continue to use unsegmented end-of-life core switches. This would force PNM to assume the inherent risks of hardware failure and system outages. All PNMR networks and systems ultimately tie to these core switches and if switch outages occur, systems like the telecommunications network, Customer Service Call Center, PNM.com, PowerPlan, and various other units will be impacted. Given these risks, it is in the Company's best interest to perform these hardware upgrades.

Technical Aspects

The project will involve hardware and software procurement and implementation. The implementation phase includes installing the equipment in a manner that ensures segmentation. Implementation will also include all phases of Quality Assurance testing before the systems are placed into use.

Project Estimate Approach

Project costs were based on Subject Matter Expert inputs from our Infrastructure Support team, vendor quotes for required hardware, software and implementation support, and historical spending trends from previous years for similar projects. Assumed costs for this year's work will be budgeted at 3% internal labor, 13% external labor, and 84% materials and equipment.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96832514	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
	110-Straight Time-General	23,205		10,000	10,000	10,000	10,000	10,000	10,000	83,205		
	120-Overtime-General	0		0	0	0	0	0	0	0		
	350-Material Issues-Major	0		50,000	50,000	90,000	20,000	0	0	210,000		
	370-Outside Services	206,992		50,000	50,000	50,000	50,000	70,000	50,000	526,992		
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0		
	377-Outside Services-Temp Labor	25,125		0	0	0	0	0	0	25,125		
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0		
	530-Employee Expense	0		0	0	0	0	0	0	0		
	610-Expenses - General	0		0	0	0	8,000	9,670	5,576	23,246		
	805-Land and Land Rights	0		0	0	0	0	0	0	0		
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0		
	829-Construction Adjustment	0		0	0	0	-2,987	-2,894	-2,987	-8,867		
	426-Capitalized Interest	14,306		1,497	2,020	2,436	2,993	3,276	3,721	30,249		
	908-Luna AR - Labor	0		0	0	0	0	0	0	0		
	909-Luna AR - Other	0		0	0	0	0	0	0	0		
	913-Payroll Taxes Load	2,416		967	967	967	967	967	967	8,218		
	914-Pension and Benefits Load	4,728		1,852	1,852	1,852	1,852	1,852	1,852	15,840		
	915-Injuries and Damages Load	520		168	168	168	168	168	168	1,528		
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0		
	921-Stores / Purchasing Load	5,783		1,810	1,810	3,258	724	0	0	13,385		
	922-Minor Material Load	0		0	0	0	0	0	0	0		
	925-E and S Loads	0		0	0	0	0	0	0	0		
	926-A and G Loads	0		0	0	0	0	0	0	0		
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0		
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0		
	937-San Juan AR - Other	0		0	0	0	0	0	0	0		
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0		
	Cost Sum	283,074		116,294	116,817	158,681	91,717	93,039	69,298	928,920		
	825-Clearings	-665,422		0	0	0	0	0	-921,152	-1,586,575		
	Clr Sum	-665,422		0	0	0	0	0	-921,152	-1,586,575		
	Proj Net	-382,349		116,294	116,817	158,681	91,717	93,039	-851,855	-657,655		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96832514	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	83,205	0	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	98,205	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	210,000	0	0	0	140,000	140,000	100,000	0	0	0	0	0	0	590,000	
370-Outside Services	526,992	0	0	0	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	589,992	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	25,125	0	0	0	0	0	0	0	0	0	0	0	0	25,125	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	23,246	0	0	0	0	0	0	0	0	0	0	0	7,963	31,209	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	-8,867	0	0	0	0	0	0	0	0	0	0	0	0	-8,867	
426-Capitalized Interest	30,249	0	0	4	338	1,034	1,566	1,888	1,942	1,931	2,046	2,031	2,169	45,197	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	8,218	0	0	107	107	107	107	107	107	107	107	107	107	9,283	
914-Pension and Benefits Load	15,840	0	0	287	287	287	287	287	287	287	287	287	287	18,712	
915-Injuries and Damages Load	1,528	0	0	21	21	21	21	21	21	21	21	21	21	1,733	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	13,385	0	0	0	10,010	10,010	7,150	0	0	0	0	0	0	40,555	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	928,920	0	0	1,918	159,262	159,958	117,630	10,802	10,857	10,846	10,960	10,945	19,046	1,441,144	
825-Clearings	-1,586,575	0	0	0	0	0	0	0	0	0	0	0	-512,224	-2,098,799	
Clr Sum	-1,586,575	0	0	0	0	0	0	0	0	0	0	0	-512,224	-2,098,799	
Proj Net	-657,655	0	0	1,918	159,262	159,958	117,630	10,802	10,857	10,846	10,960	10,945	-493,178	-657,655	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96832514	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	98,205	0	0	2,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	131,705
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	590,000	0	0	100,000	200,000	15,000	0	0	0	0	0	0	0	905,000
370-Outside Services	589,992	0	0	0	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	10,000	704,992
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	25,125	0	0	0	0	0	0	0	0	0	0	0	0	25,125
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	31,209	0	0	0	0	0	0	0	0	0	0	0	247	31,456
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	-8,867	0	0	0	0	0	0	0	0	0	0	0	0	-8,867
426-Capitalized Interest	45,197	0	0	239	927	1,406	1,363	1,485	1,501	1,523	1,647	1,666	1,783	58,737
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	9,283	0	0	142	249	249	249	249	249	249	249	249	249	11,661
914-Pension and Benefits Load	18,712	0	0	383	670	670	670	670	670	670	670	670	670	25,128
915-Injuries and Damages Load	1,733	0	0	27	48	48	48	48	48	48	48	48	48	2,192
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	40,555	0	0	7,150	14,300	1,073	0	0	0	0	0	0	0	63,077
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	1,441,144	0	0	109,942	219,694	36,945	20,830	20,951	20,967	20,990	21,114	21,133	16,497	1,950,206
825-Clearings	-2,098,799	0	0	0	0	0	0	0	0	0	0	0	-509,062	-2,607,861
Clr Sum	-2,098,799	0	0	0	0	0	0	0	0	0	0	0	-509,062	-2,607,861
Proj Net	-657,655	0	0	109,942	219,694	36,945	20,830	20,951	20,967	20,990	21,114	21,133	-492,566	-657,655

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PNMR Corporate Tier Level 2 Capital Projects

PNM Exhibit SMM-3

Is contained in the following 117 pages

Electronic Instructions:

To view detailed costs for each project, click project to highlight then Press "CTRL" and left click on mouse.

To return back to index from detailed costs, click "CTRL" and "Home"

Wednesday, November 16, 2016

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PNM EXHIBIT SMM-3 PNMR Corporate Tier Level 2 Capital Projects

Link/Test

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Project No:99328317 HR - Programs 2017	\$302,967	\$0	\$302,967....	106
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General Services

Project No: 94233315 Santa Fe Security Equipment Upgrades

Company: 007-PNMR Services Co
Location: 942-Corp Alloc 100pct Electric-----

Project Information

Construction Start Date 7/1/2017 Estimated Completion Date

List Interim In-Service Dates

0

Project Need Justification

This project is for security system improvements at the Santa Fe facility. The scope of the project may include, but is not limited to. adding additional and/or replacing cameras, upgrading access control, physical hardening of the fences and gates, building improvements and renovations for additional security, installation of perimeter detection systems, yard improvements to deter theft, and the addition of security alarm systems. The improvements and scope will be determined by the Corporate Security Supervisor, Corporate Security Team, General Services Manager, and qualified and experienced external vendors.

Project Alternatives

This funding is for replacement of equipment that has been evaluated as beyond repair. The only other alternative would be to make equipment repairs as a breakdown occurs. This expense would be paid from the O&M budget instead of Capital, and drain the limited funds available. It is possible that eventually the equipment or system would be un-repairable.

Technical Aspects

Though the technical aspects of the work will be identified when the scope of work has been determined, it will include evaluating existing cameras to determine if they need to be replaced or if additional cameras are needed, physically hardening of the fences and gates by adding barbed wire or other deterrents, installing a perimeter detection system, etc.

Project Estimate Approach

The estimated cost for the Santa Fe facility security upgrades is based on four cost categories: design, renovation, materials and services (labor). Based on current contracts with construction companies and various vendors, the overall cost of the project is calculated. The design phase provides the estimated costs for the particular project which includes renovation, materials and labor. Based on recent work of similar size and scope performed by our contractors and vendors, estimates were calculated to establish overall costs for this project.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94233315	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	50,000	0	50,230	100,230		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-105	-101	-105	-311		
426-Capitalized Interest	0			0	0	0	105	204	316	625		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	50,000	102	50,441	100,544		
825-Clearings	0			0	0	0	0	0	-100,544	-100,544		
Clr Sum	0			0	0	0	0	0	-100,544	-100,544		
Proj Net	0			0	0	0	50,000	102	-50,102	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94233315	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	100,230	0	0	0	0	0	0	25,000	25,000	0	0	0	0	150,230
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-311	0	0	0	0	0	0	0	0	0	0	0	0	-311
	426-Capitalized Interest	625	0	0	0	0	0	0	53	161	209	0	0	0	1,047
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	100,544	0	0	0	0	0	0	25,053	25,161	209	0	0	0	150,966
	825-Clearings	-100,544	0	0	0	0	0	0	0	0	-50,423	0	0	0	-150,966
	Clr Sum	-100,544	0	0	0	0	0	0	0	0	-50,423	0	0	0	-150,966
	Proj Net	0	0	0	0	0	0	0	25,053	25,161	-50,214	0	0	0	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94233315	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	150,230	0	0	0	0	0	0	0	25,000	25,000	0	0	0	200,230
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-311	0	0	0	0	0	0	0	0	0	0	0	0	-311
	426-Capitalized Interest	1,047	0	0	0	0	0	0	0	45	130	180	0	0	1,402
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	150,966	0	0	0	0	0	0	0	25,045	25,130	180	0	0	201,321
	825-Clearings	-150,966	0	0	0	0	0	0	0	0	0	-50,355	0	0	-201,321
	Clr Sum	-150,966	0	0	0	0	0	0	0	0	0	-50,355	0	0	-201,321
	Proj Net	0	0	0	0	0	0	0	0	25,045	25,130	-50,175	0	0	0

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Project No: 97733116 Graphics Equipment

Company: 007-PNMR Services Co
Location: 977-Corp Alloc Downtown Buildings-----

Project Information

Construction Start Date 4/1/2016 Estimated Completion Date

List Interim In-Service Dates

0

Project Need Justification

This project request is for funding for items including an Envelope Printer in 2017; Paper Cutter, Plotter Printer, and Envelope Inserter in 2018; Macintosh Computers in 2019; Binding Punch Machines in 2020; and Paper Drill Machine in 2021. It is anticipated that the current equipment will be out-of-date with changing technology and incompatible with current software versions at the time of the proposed replacement. Aged equipment or incompatible systems make it difficult to complete projects in an efficient and cost-effective manner as the work would have to be outsourced.

Project Alternatives

The only alternative is to continue to use the same equipment and repair/perform breakdown maintenance if/when needed, or have an outside vendor assume responsibility for the service. These options were not selected because the potential long-term costs of maintaining aged equipment would be greater than the cost of purchasing new equipment. In addition, new equipment would be more reliable and reduce the need to rely on an outside vendor if equipment failure occurred.

Technical Aspects

This project encompasses equipment replacement equipment including the envelope printer, paper cutter, plotter printer, envelope inserter, Macintosh computers, binding punch machines, and paper drill machine.

Project Estimate Approach

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	97733116	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	40,000	0	0	0	40,000		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-168	0	0	-168		
426-Capitalized Interest	0			0	0	83	168	0	0	251		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	40,083	0	0	0	40,083		
825-Clearings	0			0	0	0	-40,083	0	0	-40,083		
Clr Sum	0			0	0	0	-40,083	0	0	-40,083		
Proj Net	0			0	0	40,083	-40,083	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	97733116	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	40,000	0	0	0	16,000	0	0	0	0	0	0	0	0	56,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-168	0	0	0	0	0	0	0	0	0	0	0	0	-168
	426-Capitalized Interest	251	0	0	0	33	69	0	0	0	0	0	0	0	353
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	40,083	0	0	0	16,033	69	0	0	0	0	0	0	0	56,185
	825-Clearings	-40,083	0	0	0	0	-16,102	0	0	0	0	0	0	0	-56,185
	Clr Sum	-40,083	0	0	0	0	-16,102	0	0	0	0	0	0	0	-56,185
	Proj Net	0	0	0	0	16,033	-16,033	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project 97733116	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
370-Outside Services	56,000	0	0	0	10,000	10,000	0	15,000	15,000	0	15,000	15,000	0	136,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	-168	0	0	0	0	0	0	0	0	0	0	0	0	-168
426-Capitalized Interest	353	0	0	0	21	61	73	103	153	175	208	254	289	1,691
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	56,185	0	0	0	10,021	10,061	73	15,103	15,153	175	15,208	15,254	289	137,523
825-Clearings	-56,185	0	0	0	0	0	0	0	0	0	0	0	-81,337	-137,523
Clr Sum	-56,185	0	0	0	0	0	0	0	0	0	0	0	-81,337	-137,523
Proj Net	0	0	0	0	10,021	10,061	73	15,103	15,153	175	15,208	15,254	-81,048	0

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Technology Projects

Project No: 91128317 Financial Systems - Program 2017

Company: 007-PNMR Services Co
Location: 911-Corp Alloc Financial Systems-----

Project Information

Construction Start Date 2/1/2017 Estimated Completion Date 12/31/2017

List Interim In-Service Dates

0

Project Need Justification

This program upgrades and enhances the Company's financial systems and reporting capabilities that are needed to help the business units effectively manage their finances, perform financial analyses, and support the rate case process (submission, interrogatories, hearings and negotiations). Periodic upgrades and maintenance of these systems is need to ensure PNMR has the most updated systems to enable it to effectively perform financial planning, forecasting, modeling and analysis.

Project Alternatives

Implement the upgrades and enhancements or do nothing. The do nothing option would continue to limit the support services that are required to meet on-going business unit, customer, and rate case financial analysis needs or requirements.

Technical Aspects

Hardware and software procurements, development and implementation. Implementation will include all phases of Quality Assurance testing before these assets are placed into production.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our IT Financial Management Team. Anticipated costs and cost types are based on historical information from previous Financial Management-related IT projects.

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	91128317	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	91128317	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	2,500	7,500	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	100,000	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	25,000	25,000	25,000	0	0	0	0	0	0	75,000	
370-Outside Services	0	0	0	0	0	10,000	10,000	10,000	20,000	20,000	20,000	20,000	20,000	130,000	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	4,800	4,800	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	0	0	6	34	135	332	525	698	823	938	1,116	1,225	1,426	7,258	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	178	533	710	710	710	710	710	710	710	710	710	7,100	
914-Pension and Benefits Load	0	0	479	1,436	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	19,150	
915-Injuries and Damages Load	0	0	34	103	137	137	137	137	137	137	137	137	137	1,370	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	1,788	1,788	1,788	0	0	0	0	0	0	5,363	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	0	0	3,197	9,606	39,685	49,881	50,074	23,460	33,585	33,700	33,878	33,987	38,988	350,040	
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-350,040	-350,040	
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-350,040	-350,040	
Proj Net	0	0	3,197	9,606	39,685	49,881	50,074	23,460	33,585	33,700	33,878	33,987	-311,052	0	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	91128317	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	100,000	0	0	0	0	0	0	0	0	0	0	0	0	100,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	75,000	0	0	0	0	0	0	0	0	0	0	0	0	75,000
	370-Outside Services	130,000	0	0	0	0	0	0	0	0	0	0	0	0	130,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	4,800	0	0	0	0	0	0	0	0	0	0	0	0	4,800
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	7,258	0	0	0	0	0	0	0	0	0	0	0	0	7,258
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	7,100	0	0	0	0	0	0	0	0	0	0	0	0	7,100
	914-Pension and Benefits Load	19,150	0	0	0	0	0	0	0	0	0	0	0	0	19,150
	915-Injuries and Damages Load	1,370	0	0	0	0	0	0	0	0	0	0	0	0	1,370
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	5,363	0	0	0	0	0	0	0	0	0	0	0	0	5,363
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	350,040	0	0	0	0	0	0	0	0	0	0	0	0	350,040
	825-Clearings	-350,040	0	0	0	0	0	0	0	0	0	0	0	0	-350,040
	Clr Sum	-350,040	0	0	0	0	0	0	0	0	0	0	0	0	-350,040
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Project No: 91128318 Financial Systems - Program 2018

Company: 007-PNMR Services Co
Location: 911-Corp Alloc Financial Systems-----

Project Information

Construction Start Date 2/1/2018 Estimated Completion Date 12/31/2018

List Interim In-Service Dates

0

Project Need Justification

This program upgrades and enhances the Company’s financial systems and reporting capabilities that are needed to help the business units effectively manage their finances, perform financial analyses, and support the rate case process (submission, interrogatories, hearings and negotiations). Periodic upgrades and maintenance of these systems is need to ensure PNMR has the most updated systems to enable it to effectively perform financial planning, forecasting, modeling and analysis.

Project Alternatives

Implement the upgrades and enhancements or do nothing. The do nothing option would continue to limit the support services that are required to meet on-going business unit, customer, and rate case financial analysis needs or requirements.

Technical Aspects

Hardware and software procurements, development and implementation. Implementation will include all phases of Quality Assurance testing before these assets are placed into production.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our IT Financial Management Team.. Anticipated costs and cost types are based on historical information from previous Financial Management-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	91128318	Year	2016									
Cost Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	91128318	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	91128318	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	0	3,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	103,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	50,000	35,000	0	0	0	0	0	0	0	85,000
370-Outside Services	0	0	0	0	0	5,000	5,000	5,000	5,000	8,000	15,000	15,000	15,000	73,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	0	8	45	211	448	535	621	662	709	821	893	1,022	5,975
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	0	213	710	710	710	710	710	710	710	710	710	710	7,313
914-Pension and Benefits Load	0	0	575	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	19,725
915-Injuries and Damages Load	0	0	41	137	137	137	137	137	137	137	137	137	137	1,411
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	0	3,575	2,503	0	0	0	0	0	0	0	6,078
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	0	3,836	12,807	66,548	55,713	18,297	18,383	18,424	21,471	28,583	28,655	28,784	301,501
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-301,501	-301,501
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-301,501	-301,501
Proj Net	0	0	3,836	12,807	66,548	55,713	18,297	18,383	18,424	21,471	28,583	28,655	-272,717	0

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Project No: 92428216 2015 FPPCAC

Company: 007-PNMR Services Co
Location: 924-Corp Alloc Customer Count-----

Project Information

Construction Start Date 3/7/2017 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

Project Need Justification

Modifications are needed to PNM's Banner Customer Information System (BCIS) that will permit billing at different rates for energy produced using renewable and non-renewable resources. This project is being undertaken to meet the requirements and timeline in the New Mexico Public Regulation Commission (NMPRC) March 2 Order; Rate Case No. 15-00261-UT.

Project Alternatives

There are no alternatives for this project. The project necessary to meet the requirements of the Public Regulation Commission (PRC) March 2 Order. Failure to meet the requirements of this order could result in denial of the Fuel and Power Purchase Adjustment Clause (FPPCAC) charge and/or denial of approval of the PNM requested rate revision in NMPRC Case No. 15-00261-UT.

Technical Aspects

This project includes application development and testing. There is no required hardware or software purchases. Quality Assurance testing will be completed prior to commissioning these changes.

Project Estimate Approach

Cost estimates were provided by our Subject Matter Experts from the IT Application Customer Service Support team, and from a vendor quote for the application development and testing of the required system changes.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	92428216	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
	110-Straight Time-General	16,428		20,000	20,000	0	0	0	0	56,428		
	120-Overtime-General	0		0	0	0	0	0	0	0		
	350-Material Issues-Major	0		0	0	0	0	0	0	0		
	370-Outside Services	57,856		40,000	30,000	7,500	0	0	0	135,356		
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0		
	377-Outside Services-Temp Labor	0		0	0	0	0	0	0	0		
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0		
	530-Employee Expense	0		0	0	0	0	0	0	0		
	610-Expenses - General	0		0	0	154	0	0	0	154		
	805-Land and Land Rights	0		0	0	0	0	0	0	0		
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0		
	829-Construction Adjustment	0		0	0	0	0	0	0	0		
	426-Capitalized Interest	408		531	807	880	0	0	0	2,627		
	908-Luna AR - Labor	0		0	0	0	0	0	0	0		
	909-Luna AR - Other	0		0	0	0	0	0	0	0		
	913-Payroll Taxes Load	1,954		1,934	1,934	0	0	0	0	5,822		
	914-Pension and Benefits Load	3,743		3,704	3,704	0	0	0	0	11,151		
	915-Injuries and Damages Load	340		336	336	0	0	0	0	1,012		
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0		
	921-Stores / Purchasing Load	406		0	0	0	0	0	0	406		
	922-Minor Material Load	0		0	0	0	0	0	0	0		
	925-E and S Loads	0		0	0	0	0	0	0	0		
	926-A and G Loads	0		0	0	0	0	0	0	0		
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0		
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0		
	937-San Juan AR - Other	0		0	0	0	0	0	0	0		
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0		
	Cost Sum	81,134		66,505	56,781	8,534	0	0	0	212,955		
	825-Clearings	0		0	0	-216,734	0	0	0	-216,734		
	Clr Sum	0		0	0	-216,734	0	0	0	-216,734		
Proj Net		81,134		66,505	56,781	-208,200	0	0	0	-3,780		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	92428216	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	56,428	0	0	0	0	0	0	0	0	0	0	0	0	56,428
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	135,356	0	0	0	0	0	0	0	0	0	0	0	0	135,356
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	154	0	0	0	0	0	0	0	0	0	0	0	0	154
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	2,627	0	0	0	0	0	0	0	0	0	0	0	0	2,627
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	5,822	0	0	0	0	0	0	0	0	0	0	0	0	5,822
	914-Pension and Benefits Load	11,151	0	0	0	0	0	0	0	0	0	0	0	0	11,151
	915-Injuries and Damages Load	1,012	0	0	0	0	0	0	0	0	0	0	0	0	1,012
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	406	0	0	0	0	0	0	0	0	0	0	0	0	406
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	212,955	0	0	0	0	0	0	0	0	0	0	0	0	212,955
	825-Clearings	-216,734	0	0	0	0	0	0	0	0	0	0	0	0	-216,734
	Clr Sum	-216,734	0	0	0	0	0	0	0	0	0	0	0	0	-216,734
	Proj Net	-3,780	0	0	0	0	0	0	0	0	0	0	0	0	-3,780

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	92428216	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	56,428	0	0	0	0	0	0	0	0	0	0	0	0	56,428
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	135,356	0	0	0	0	0	0	0	0	0	0	0	0	135,356
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	154	0	0	0	0	0	0	0	0	0	0	0	0	154
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	2,627	0	0	0	0	0	0	0	0	0	0	0	0	2,627
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	5,822	0	0	0	0	0	0	0	0	0	0	0	0	5,822
	914-Pension and Benefits Load	11,151	0	0	0	0	0	0	0	0	0	0	0	0	11,151
	915-Injuries and Damages Load	1,012	0	0	0	0	0	0	0	0	0	0	0	0	1,012
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	406	0	0	0	0	0	0	0	0	0	0	0	0	406
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	212,955	0	0	0	0	0	0	0	0	0	0	0	0	212,955
	825-Clearings	-216,734	0	0	0	0	0	0	0	0	0	0	0	0	-216,734
	Clr Sum	-216,734	0	0	0	0	0	0	0	0	0	0	0	0	-216,734
	Proj Net	-3,780	0	0	0	0	0	0	0	0	0	0	0	0	-3,780

Project No: 94128317 NERC CIP - Program 2017

Company: 007-PNMR Services Co
Location: 941-Corp Alloc-Gen PNMR Utility-----

Project Information

Construction Start Date 1/15/2017 Estimated Completion Date 12/31/2017

List Interim In-Service Dates

0

Project Need Justification

This project is for upgrades and enhancements to PNMR's North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) systems and processes to assure it is in compliance with the mandated/required standards to improve the North American power system's security. Periodic upgrades and modernization of NERC CIP systems ensures the Company meets required reliability and regulatory compliance standards of its bulk power, generation, transmission, and distribution systems. NERC CIP-related systems include but are not limited to firewalls, cybersecurity monitoring tools, IT security controls, and systems used to monitor system security events.

Project Alternatives

There are no real alternatives as this project is to ensure compliance with NERC CIP requirements. Failure to upgrade/modernize applicable assets could increase the risk of critical system outages and downtime and significantly impact the Company's ability to produce the necessary records or system controls to demonstrate NERC CIP compliance (which could result in penalties, including include fines, sanctions or other actions for non-compliance)

Technical Aspects

Hardware and software procurements, development and implementation. Implementation will include all phases of Quality Assurance testing before these assets are placed into production.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from Operations Technology Support team. Anticipated costs and cost types are based on historical information from previous NERC CIP-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94128317	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94128317	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	2,500	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	57,500
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	25,000	25,000	0	0	0	0	0	0	0	0	0	50,000
370-Outside Services	0	0	0	0	0	10,000	10,000	10,000	10,000	10,000	0	0	8,000	58,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	7	76	227	303	364	419	504	578	632	706	714	788	5,318
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	178	355	355	355	355	355	355	355	355	355	355	355	4,083
914-Pension and Benefits Load	0	479	958	958	958	958	958	958	958	958	958	958	958	11,011
915-Injuries and Damages Load	0	34	69	69	69	69	69	69	69	69	69	69	69	788
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	1,788	1,788	0	0	0	0	0	0	0	0	0	3,575
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	3,197	33,245	33,395	6,684	16,745	16,800	16,885	16,959	17,013	7,087	7,095	15,169	190,274
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-190,274	-190,274
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-190,274	-190,274
Proj Net	0	3,197	33,245	33,395	6,684	16,745	16,800	16,885	16,959	17,013	7,087	7,095	-175,105	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94128317	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	57,500	0	0	0	0	0	0	0	0	0	0	0	0	57,500
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	50,000	0	0	0	0	0	0	0	0	0	0	0	0	50,000
	370-Outside Services	58,000	0	0	0	0	0	0	0	0	0	0	0	0	58,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	5,318	0	0	0	0	0	0	0	0	0	0	0	0	5,318
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	4,083	0	0	0	0	0	0	0	0	0	0	0	0	4,083
914-Pension and Benefits Load		11,011	0	0	0	0	0	0	0	0	0	0	0	0	11,011
915-Injuries and Damages Load		788	0	0	0	0	0	0	0	0	0	0	0	0	788
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load		3,575	0	0	0	0	0	0	0	0	0	0	0	0	3,575
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	190,274	0	0	0	0	0	0	0	0	0	0	0	0	190,274
	825-Clearings	-190,274	0	0	0	0	0	0	0	0	0	0	0	0	-190,274
	Clr Sum	-190,274	0	0	0	0	0	0	0	0	0	0	0	0	-190,274
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Project No: 94128318 NERC CIP - Program 2018

Company: 007-PNMR Services Co
Location: 941-Corp Alloc-Gen PNMR Utility-----

Project Information

Construction Start Date 1/15/2018 Estimated Completion Date 12/31/2018

List Interim In-Service Dates

0

Project Need Justification

This project is for upgrades and enhancements to PNMR's North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) systems and processes to assure it is in compliance with the mandated/required standards to improve the North American power system's security. Periodic upgrades and modernization of NERC CIP systems ensures the Company meets required reliability and regulatory compliance standards of its bulk power, generation, transmission, and distribution systems. NERC CIP-related systems include but are not limited to firewalls, cybersecurity monitoring tools, IT security controls, and systems used to monitor system security events.

Project Alternatives

There are no real alternatives as this project is to ensure compliance with NERC CIP requirements. Failure to upgrade/modernize applicable assets could increase the risk of critical system outages and downtime and significantly impact the Company's ability to produce the necessary records or system controls to demonstrate NERC CIP compliance (which could result in penalties, including include fines, sanctions or other actions for non-compliance)

Technical Aspects

Hardware and software procurements, development and implementation. Implementation will include all phases of Quality Assurance testing before these assets are placed into production.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from Operations Technology Support team. Anticipated costs and cost types are based on historical information from previous NERC CIP-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94128318	Year	2016									
Cost_Type		Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General		0		0	0	0	0	0	0	0		
120-Overtime-General		0		0	0	0	0	0	0	0		
350-Material Issues-Major		0		0	0	0	0	0	0	0		
370-Outside Services		0		0	0	0	0	0	0	0		
374-Outside Svcs Legal		0		0	0	0	0	0	0	0		
377-Outside Services-Temp Labor		0		0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor		0		0	0	0	0	0	0	0		
530-Employee Expense		0		0	0	0	0	0	0	0		
610-Expenses - General		0		0	0	0	0	0	0	0		
805-Land and Land Rights		0		0	0	0	0	0	0	0		
807-Non Refundable Contribution		0		0	0	0	0	0	0	0		
829-Construction Adjustment		0		0	0	0	0	0	0	0		
426-Capitalized Interest		0		0	0	0	0	0	0	0		
908-Luna AR - Labor		0		0	0	0	0	0	0	0		
909-Luna AR - Other		0		0	0	0	0	0	0	0		
913-Payroll Taxes Load		0		0	0	0	0	0	0	0		
914-Pension and Benefits Load		0		0	0	0	0	0	0	0		
915-Injuries and Damages Load		0		0	0	0	0	0	0	0		
918-San Juan AR-Labor		0		0	0	0	0	0	0	0		
921-Stores / Purchasing Load		0		0	0	0	0	0	0	0		
922-Minor Material Load		0		0	0	0	0	0	0	0		
925-E and S Loads		0		0	0	0	0	0	0	0		
926-A and G Loads		0		0	0	0	0	0	0	0		
928-AFUDC Debt Reg		0		0	0	0	0	0	0	0		
929-AFUDC - Equity Regular		0		0	0	0	0	0	0	0		
937-San Juan AR - Other		0		0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V		0		0	0	0	0	0	0	0		
Cost Sum		0		0	0	0	0	0	0	0		
825-Clearings		0		0	0	0	0	0	0	0		
Clr Sum		0		0	0	0	0	0	0	0		
Proj Net		0		0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94128318	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94128318	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	15,000	15,000	20,000	20,000	0	0	0	0	0	0	0	0	70,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	165,000	0	0	0	0	0	0	0	0	0	0	165,000
370-Outside Services	0	0	35,000	40,000	50,000	0	0	0	0	0	0	0	0	125,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	7,000	0	0	0	0	0	0	0	0	7,000
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	42	531	1,236	1,516	0	0	0	0	0	0	0	0	3,324
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	1,065	1,065	1,420	1,420	0	0	0	0	0	0	0	0	4,970
914-Pension and Benefits Load	0	2,873	2,873	3,830	3,830	0	0	0	0	0	0	0	0	13,405
915-Injuries and Damages Load	0	206	206	274	274	0	0	0	0	0	0	0	0	959
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	11,798	0	0	0	0	0	0	0	0	0	0	11,798
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	19,185	231,471	66,760	84,040	0	0	0	0	0	0	0	0	401,456
825-Clearings	0	0	0	0	-401,456	0	0	0	0	0	0	0	0	-401,456
Clr Sum	0	0	0	0	-401,456	0	0	0	0	0	0	0	0	-401,456
Proj Net	0	19,185	231,471	66,760	-317,416	0	0	0	0	0	0	0	0	0

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Project No: 94229714 IT Small Sized Projects

Company: 007-PNMR Services Co
Location: 942-Corp Alloc 100pct Electric-----

Project Information

Construction Start Date 9/21/2015 Estimated Completion Date 12/31/2016

List Interim In-Service Dates
12/15/2015, 12/15/2016, 12/15/2017, 12/15/2018, 12/15/2019

Project Need Justification
This project covers the development of IT solutions that are have been requested by various business units throughout the year for small IT upgrades including system enhancements, new reporting capabilities/Business Intelligence queries, etc. These requests are typically needed to improve operations, make work processes more efficient, and reduce costs. This annual project ensures PNMR has the dollars available to handle these very frequent and on-going small project requests. This project directly supports the Company's efforts to gain efficiencies, reduce costs and improve operations, which saves our customers money.

Project Alternatives
Continue to have funds to cover these on-going requests for small IT solutions, or do nothing. Selecting the do nothing option will not result in any improvements in operations or reductions in cost. Each project request received throughout the year is first assessed for merit. If it is deemed necessary, it undergoes and additional internal review and solution selection process with the respective IT department(s) that is best suited to handle the request (will vary depending on the service or capability has been requested).

Technical Aspects
Modifying hardware, software, and implementation support solutions based on business unit requests. Implementation includes all phases of Quality Assurance testing before systems are placed into production.

Project Estimate Approach

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94229714	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	40,000	40,000	40,000	40,000	40,000	200,000		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	115,000	115,000		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-420	-407	-420	-1,248		
426-Capitalized Interest	0			0	90	250	421	571	1,000	2,332		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	40,090	40,250	40,001	40,164	155,580	316,084		
825-Clearings	0			0	0	0	0	0	-316,084	-316,084		
Clr Sum	0			0	0	0	0	0	-316,084	-316,084		
Proj Net	0			0	40,090	40,250	40,001	40,164	-160,504	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94229714	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	200,000	0	0	0	0	0	0	0	0	0	0	0	0	200,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	115,000	0	0	0	0	0	0	0	0	0	0	0	0	115,000
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-1,248	0	0	0	0	0	0	0	0	0	0	0	0	-1,248
	426-Capitalized Interest	2,332	0	0	0	0	0	0	0	0	0	0	0	0	2,332
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	316,084	0	0	0	0	0	0	0	0	0	0	0	0	316,084
	825-Clearings	-316,084	0	0	0	0	0	0	0	0	0	0	0	0	-316,084
	Clr Sum	-316,084	0	0	0	0	0	0	0	0	0	0	0	0	-316,084
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94229714	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	200,000	0	0	0	0	0	0	0	0	0	0	0	0	200,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	115,000	0	0	0	0	0	0	0	0	0	0	0	0	115,000
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-1,248	0	0	0	0	0	0	0	0	0	0	0	0	-1,248
	426-Capitalized Interest	2,332	0	0	0	0	0	0	0	0	0	0	0	0	2,332
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	316,084	0	0	0	0	0	0	0	0	0	0	0	0	316,084
	825-Clearings	-316,084	0	0	0	0	0	0	0	0	0	0	0	0	-316,084
	Clr Sum	-316,084	0	0	0	0	0	0	0	0	0	0	0	0	-316,084
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 94628214 WPM Data Management Portal

Company: 007-PNMR Services Co
Location: 946-Corp Alloc 100pct Bulk Power-----

Project Information

Construction Start Date 3/1/2016 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

0

Project Need Justification

Create a data repository to store data and run reports from several PNM internal and external data sources to support consolidated reporting for power and gas trading. The sources include but are not limited to MRI, ZEMA, Pi Historian, QATU webJOU, OATI webTrader, NOAA weather data, Future Source, the utility Margin’s LOP modeling software, etc. In addition to the development of standard reports, the application will also support ad-hoc reporting and have a diary function. The report set, and/or dashboards, will include more than twenty-five reports currently produced daily, weekly, or monthly by Whole Sale Power Marketing. Today this information is distributed via email in spreadsheets or Word documents from multiple staff with no single data source. This project will decrease the risk of non-compliance with NERC/FERC/SOX/SRSG/PUC Standards, Orders, or Requirements by creating and storing proper compliance documentation. The application will improve processes and support workflow efficiencies. In addition it will support the broader effort to reduce errors in reporting (Zero Defect).

Project Alternatives

As this was a very complex reporting/data collection problem, we were not able to discover a vendor able to provide a solution that met the specific functionality requirements. Using PNMR standard development tools, it was determined that an internally developed solution would be more flexible, supportable, and cost-efficient. Outside vendors are not being considered to assist with project implementation, as IT has the internal skills to complete all required work.

Technical Aspects

Internally develop the required software solution and implement the solution. Implementation will include all phases of Quality Assurance testing before the system is placed into production.

Project Estimate Approach

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94628214	Year	2016									
Cost_Type		Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General		0		10,000	10,000	10,000	10,000	10,000	10,000	60,000		
120-Overtime-General		0		0	0	0	0	0	0	0		
350-Material Issues-Major		0		0	0	0	0	0	0	0		
370-Outside Services		0		19,000	19,000	19,000	19,000	19,000	19,000	114,000		
374-Outside Svcs Legal		0		0	0	0	0	0	0	0		
377-Outside Services-Temp Labor		0		0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor		0		0	0	0	0	0	0	0		
530-Employee Expense		0		0	0	0	0	0	0	0		
610-Expenses - General		0		0	0	0	0	941	4,471	5,412		
805-Land and Land Rights		0		0	0	0	0	0	0	0		
807-Non Refundable Contribution		0		0	0	0	0	0	0	0		
829-Construction Adjustment		0		0	0	0	-472	-457	-472	-1,400		
426-Capitalized Interest		0		72	216	333	473	590	756	2,440		
908-Luna AR - Labor		0		0	0	0	0	0	0	0		
909-Luna AR - Other		0		0	0	0	0	0	0	0		
913-Payroll Taxes Load		0		967	967	967	967	967	967	5,802		
914-Pension and Benefits Load		0		1,852	1,852	1,852	1,852	1,852	1,852	11,112		
915-Injuries and Damages Load		0		168	168	168	168	168	168	1,008		
918-San Juan AR-Labor		0		0	0	0	0	0	0	0		
921-Stores / Purchasing Load		0		0	0	0	0	0	0	0		
922-Minor Material Load		0		0	0	0	0	0	0	0		
925-E and S Loads		0		0	0	0	0	0	0	0		
926-A and G Loads		0		0	0	0	0	0	0	0		
928-AFUDC Debt Reg		0		0	0	0	0	0	0	0		
929-AFUDC - Equity Regular		0		0	0	0	0	0	0	0		
937-San Juan AR - Other		0		0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V		0		0	0	0	0	0	0	0		
Cost Sum		0		32,059	32,203	32,320	31,988	33,061	36,742	198,374		
825-Clearings		0		0	0	0	0	0	-198,374	-198,374		
Clr Sum		0		0	0	0	0	0	-198,374	-198,374		
Proj Net		0		32,059	32,203	32,320	31,988	33,061	-161,632	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94628214	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	60,000	0	0	0	0	0	0	0	0	0	0	0	0	60,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	114,000	0	0	0	0	0	0	0	0	0	0	0	0	114,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	5,412	0	0	0	0	0	0	0	0	0	0	0	0	5,412
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-1,400	0	0	0	0	0	0	0	0	0	0	0	0	-1,400
	426-Capitalized Interest	2,440	0	0	0	0	0	0	0	0	0	0	0	0	2,440
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	5,802	0	0	0	0	0	0	0	0	0	0	0	0	5,802
	914-Pension and Benefits Load	11,112	0	0	0	0	0	0	0	0	0	0	0	0	11,112
	915-Injuries and Damages Load	1,008	0	0	0	0	0	0	0	0	0	0	0	0	1,008
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	198,374	0	0	0	0	0	0	0	0	0	0	0	0	198,374
	825-Clearings	-198,374	0	0	0	0	0	0	0	0	0	0	0	0	-198,374
	Clr Sum	-198,374	0	0	0	0	0	0	0	0	0	0	0	0	-198,374
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94628214	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	60,000	0	0	0	0	0	0	0	0	0	0	0	0	60,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	114,000	0	0	0	0	0	0	0	0	0	0	0	0	114,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	5,412	0	0	0	0	0	0	0	0	0	0	0	0	5,412
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-1,400	0	0	0	0	0	0	0	0	0	0	0	0	-1,400
	426-Capitalized Interest	2,440	0	0	0	0	0	0	0	0	0	0	0	0	2,440
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	5,802	0	0	0	0	0	0	0	0	0	0	0	0	5,802
	914-Pension and Benefits Load	11,112	0	0	0	0	0	0	0	0	0	0	0	0	11,112
	915-Injuries and Damages Load	1,008	0	0	0	0	0	0	0	0	0	0	0	0	1,008
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNM D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	198,374	0	0	0	0	0	0	0	0	0	0	0	0	198,374
	825-Clearings	-198,374	0	0	0	0	0	0	0	0	0	0	0	0	-198,374
	Clr Sum	-198,374	0	0	0	0	0	0	0	0	0	0	0	0	-198,374
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 94828115 New Service Delivery Process Auto

Company: 007-PNMR Services Co
Location: 948-Corp Alloc PNM Util Common-----

Project Information

Construction Start Date 10/5/2015 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

Project Need Justification

This project will develop a software application that will automate the New Service Delivery (NSD) process. The software application will improve process controls end-to-end by integrating the underlying applications. This will allow continuous process monitoring of workflow and metric tracking for process performance analysis. In addition, automating the process will reduce process variation and improve control. By automating many of the manual steps, it is expected that:

- Customer service should improve by reducing the time to complete a service request
- Crew allocation and resource planning will be improved
- The monitoring of processes such as inspection red/green tagging, billing information, etc. will be improved
- Process control and performance metrics reporting will be available.

The funding will be used to engage contract labor with expertise in the development of IBM business process manager (BPM) applications. In addition the funding will be used for internal Business Technology Service (BTS) Integration Team labor to develop the interfaces to the systems providing source data, as well as the purchase of laptops and tablets that will be used for documentation of customer field visits.

Project Alternatives

Alternatives included:

- Not doing the project - The department would continue to manually process new service requests. This may cause requests to be lost, not completed in a timely manner, or incorrectly assigned. These risk will directly impact customer service and satisfaction
- Enhanced Manual Process - Apply more controls to ensure that the process is performed the same way every time. This option would likely produce less errors but may increase the time necessary to complete tasks

Technical Aspects

Technical specifications and work will include:

1. The application will be developed using IBM BPM software development platform
2. Data integration to NSD Permits database, Banner, ArcFM, Cesar eRequest, Work Load Tracking, Maximo, and Google Maps will be developed using Tibco Business Works
3. The application will reside on virtual machines
4. The application will be accessed by browser

Project Estimate Approach

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94828115	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
	110-Straight Time-General	42,085		0	0	0	0	0	0	42,085		
	120-Overtime-General	0		0	0	0	0	0	0	0		
	350-Material Issues-Major	0		0	0	0	0	0	0	0		
	370-Outside Services	576,891		0	0	0	0	0	0	576,891		
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0		
	377-Outside Services-Temp Labor	0		0	0	0	0	0	0	0		
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0		
	530-Employee Expense	390		0	0	0	0	0	0	390		
	610-Expenses - General	0		0	0	0	0	0	0	0		
	805-Land and Land Rights	0		0	0	0	0	0	0	0		
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0		
	829-Construction Adjustment	0		0	0	0	0	0	0	0		
	426-Capitalized Interest	3,800		0	0	0	0	0	0	3,800		
	908-Luna AR - Labor	0		0	0	0	0	0	0	0		
	909-Luna AR - Other	0		0	0	0	0	0	0	0		
	913-Payroll Taxes Load	4,649		0	0	0	0	0	0	4,649		
	914-Pension and Benefits Load	8,920		0	0	0	0	0	0	8,920		
	915-Injuries and Damages Load	835		0	0	0	0	0	0	835		
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0		
	921-Stores / Purchasing Load	3,726		0	0	0	0	0	0	3,726		
	922-Minor Material Load	0		0	0	0	0	0	0	0		
	925-E and S Loads	0		0	0	0	0	0	0	0		
	926-A and G Loads	0		0	0	0	0	0	0	0		
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0		
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0		
	937-San Juan AR - Other	0		0	0	0	0	0	0	0		
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0		
	Cost Sum	641,297		0	0	0	0	0	0	641,297		
	825-Clearings	-309,915		-338,411	0	0	0	0	0	-648,326		
	Cir Sum	-309,915		-338,411	0	0	0	0	0	-648,326		
Proj Net		331,382		-338,411	0	0	0	0	0	-7,029		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94828115	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	42,085	0	0	0	0	0	0	0	0	0	0	0	0	42,085
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	576,891	0	0	0	0	0	0	0	0	0	0	0	0	576,891
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	390	0	0	0	0	0	0	0	0	0	0	0	0	390
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	3,800	0	0	0	0	0	0	0	0	0	0	0	0	3,800
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	4,649	0	0	0	0	0	0	0	0	0	0	0	0	4,649
	914-Pension and Benefits Load	8,920	0	0	0	0	0	0	0	0	0	0	0	0	8,920
	915-Injuries and Damages Load	835	0	0	0	0	0	0	0	0	0	0	0	0	835
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	3,726	0	0	0	0	0	0	0	0	0	0	0	0	3,726
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	641,297	0	0	0	0	0	0	0	0	0	0	0	0	641,297
	825-Clearings	-648,326	0	0	0	0	0	0	0	0	0	0	0	0	-648,326
	Clr Sum	-648,326	0	0	0	0	0	0	0	0	0	0	0	0	-648,326
	Proj Net	-7,029	0	0	0	0	0	0	0	0	0	0	0	0	-7,029

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94828115	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	42,085	0	0	0	0	0	0	0	0	0	0	0	0	42,085	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	576,891	0	0	0	0	0	0	0	0	0	0	0	0	576,891	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	390	0	0	0	0	0	0	0	0	0	0	0	0	390	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	3,800	0	0	0	0	0	0	0	0	0	0	0	0	3,800	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	4,649	0	0	0	0	0	0	0	0	0	0	0	0	4,649	
914-Pension and Benefits Load	8,920	0	0	0	0	0	0	0	0	0	0	0	0	8,920	
915-Injuries and Damages Load	835	0	0	0	0	0	0	0	0	0	0	0	0	835	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	3,726	0	0	0	0	0	0	0	0	0	0	0	0	3,726	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	641,297	0	0	0	0	0	0	0	0	0	0	0	0	641,297	
825-Clearings	-648,326	0	0	0	0	0	0	0	0	0	0	0	0	-648,326	
Clr Sum	-648,326	0	0	0	0	0	0	0	0	0	0	0	0	-648,326	
Proj Net	-7,029	0	0	0	0	0	0	0	0	0	0	0	0	-7,029	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	95328317	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Cir Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	95328317	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	2,500	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	112,500
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	35,000	35,000	35,000	0	0	0	0	0	0	0	105,000
370-Outside Services	0	0	0	0	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	180,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	4,500	4,500
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	7	37	176	422	740	927	1,100	1,249	1,355	1,549	1,646	1,864	11,071
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	178	710	710	710	710	710	710	710	710	710	710	710	7,988
914-Pension and Benefits Load	0	479	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	21,544
915-Injuries and Damages Load	0	34	137	137	137	137	137	137	137	137	137	137	137	1,541
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	2,503	2,503	2,503	0	0	0	0	0	0	0	7,508
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	3,197	12,799	50,440	70,686	71,004	33,689	33,862	34,011	34,117	34,311	34,408	39,126	451,651
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-451,651	-451,651
Cir Sum	0	0	0	0	0	0	0	0	0	0	0	0	-451,651	-451,651
Proj Net	0	3,197	12,799	50,440	70,686	71,004	33,689	33,862	34,011	34,117	34,311	34,408	-412,525	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	95328317	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	112,500	0	0	0	0	0	0	0	0	0	0	0	0	112,500
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	105,000	0	0	0	0	0	0	0	0	0	0	0	0	105,000
	370-Outside Services	180,000	0	0	0	0	0	0	0	0	0	0	0	0	180,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	4,500	0	0	0	0	0	0	0	0	0	0	0	0	4,500
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	11,071	0	0	0	0	0	0	0	0	0	0	0	0	11,071
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	7,988	0	0	0	0	0	0	0	0	0	0	0	0	7,988
	914-Pension and Benefits Load	21,544	0	0	0	0	0	0	0	0	0	0	0	0	21,544
	915-Injuries and Damages Load	1,541	0	0	0	0	0	0	0	0	0	0	0	0	1,541
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	7,508	0	0	0	0	0	0	0	0	0	0	0	0	7,508
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	451,651	0	0	0	0	0	0	0	0	0	0	0	0	451,651
	825-Clearings	-451,651	0	0	0	0	0	0	0	0	0	0	0	0	-451,651
	Clr Sum	-451,651	0	0	0	0	0	0	0	0	0	0	0	0	-451,651
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 96328017 CPR Telecom 2017

Company: 007-PNMR Services Co
Location: 963-Corp Alloc-IT-Telecomms-----

Project Information

Construction Start Date 2/1/2017 Estimated Completion Date

List Interim In-Service Dates

0

Project Need Justification

This project is part of PNMR's annual refresh of telecommunications hardware such as routers, bridges and switches that are at end of life and warranty (typically occurs after 5 years in service. This is an on-going effort to replace of outdated telecommunications equipment through ongoing reinvestment. Each year, telecommunications hardware remains in service beyond its useful life there are negative impacts on the operability and reliability of the equipment. Eventually, the operational expenses associated with repairing and maintaining the equipment become greater than the remaining value of the asset, and therefore the cost effective solution is to replace the asset.

Project Alternatives

Alternatives for equipment replacement are evaluated on a case-by-case basis. Typically, equipment is replaced with the standard model at the time of replacement.

Technical Aspects

Procurement and replacement of outdated telecommunications hardware throughout New Mexico service territories. Implementation will include all phases of quality assurance testing before the systems are placed into production. The hardware and software vendors we use for required, on-going asset procurements have knowledge and of our current telecommunications architecture, so there is normally not an extensive selection process, unless we need a specialized asset that are partnered vendors don't carry.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our Telecommunications team. Anticipated costs and cost types are based on historical information from previous Computer Platform Refresh Telecom projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96328017	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96328017	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	0	2,500	4,000	4,000	4,500	4,500	4,500	4,500	5,000	5,000	4,500	5,000	48,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	34,000	0	306,000
370-Outside Services	0	0	0	0	0	0	0	8,000	0	0	0	0	0	8,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	2,754	2,754
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	0	6	102	272	463	621	840	1,045	1,195	1,426	1,568	1,742	9,280
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	0	178	284	284	320	320	320	320	355	355	320	355	3,408
914-Pension and Benefits Load	0	0	479	766	766	862	862	862	862	958	958	862	958	9,192
915-Injuries and Damages Load	0	0	34	55	55	62	62	62	62	69	69	62	69	658
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	2,431	0	21,879
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	0	3,197	41,638	41,808	42,637	42,795	51,014	43,219	44,007	44,238	43,741	10,877	409,171
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-409,171	-409,171
Cir Sum	0	0	0	0	0	0	0	0	0	0	0	0	-409,171	-409,171
Proj Net	0	0	3,197	41,638	41,808	42,637	42,795	51,014	43,219	44,007	44,238	43,741	-398,294	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96328017	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	48,000	0	0	0	0	0	0	0	0	0	0	0	0	48,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	306,000	0	0	0	0	0	0	0	0	0	0	0	0	306,000
	370-Outside Services	8,000	0	0	0	0	0	0	0	0	0	0	0	0	8,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	2,754	0	0	0	0	0	0	0	0	0	0	0	0	2,754
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	9,280	0	0	0	0	0	0	0	0	0	0	0	0	9,280
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	3,408	0	0	0	0	0	0	0	0	0	0	0	0	3,408
	914-Pension and Benefits Load	9,192	0	0	0	0	0	0	0	0	0	0	0	0	9,192
	915-Injuries and Damages Load	658	0	0	0	0	0	0	0	0	0	0	0	0	658
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	21,879	0	0	0	0	0	0	0	0	0	0	0	0	21,879
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	409,171	0	0	0	0	0	0	0	0	0	0	0	0	409,171
	825-Clearings	-409,171	0	0	0	0	0	0	0	0	0	0	0	0	-409,171
	Clr Sum	-409,171	0	0	0	0	0	0	0	0	0	0	0	0	-409,171
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 96328416 Computer Platform Refresh Telecom 2

Company: 007-PNMR Services Co
Location: 963-Corp Alloc-IT-Telecomms-----

Project Information

Construction Start Date 2/1/2016 Estimated Completion Date

List Interim In-Service Dates

Project Need Justification

This 2017 project is part of PNMR's annual refresh of telecommunications hardware such as routers, bridges and switches that are at end of life and warranty (typically 5 years in service). This is an on-going effort to replace of outdated telecommunications. Each year telecommunications hardware remains in service beyond its useful life there are negative impacts on the operability and reliability to the organization. Eventually, the operational expenses associated with repairing and maintaining the equipment become greater than the remaining value of the asset, and therefore the cost effective solution is to replace the asset.

Project Alternatives

Alternatives for equipment replacement are evaluated on a case-by-case basis. Typically, equipment is replaced with the standard model at the time of replacement.

Technical Aspects

Work will involve the procurement and replacement of outdated telecommunications hardware throughout the New Mexico service territories. Implementation will include all phases of quality assurance testing before the systems are placed into production. The hardware and software vendors we use for required, on-going asset procurements have knowledge of our current telecommunications architecture, which shortens the selection process.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our Telecommunications team. Anticipated costs and cost types are based on historical information from previous Computer Platform Refresh Telecom projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96328416	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
	110-Straight Time-General	2,726		4,620	4,620	5,160	5,160	5,160	5,400	32,846		
	120-Overtime-General	0		0	0	0	0	0	0	0		
	350-Material Issues-Major	0		5,000	5,000	5,000	5,000	5,000	0	25,000		
	370-Outside Services	21,646		534	534	534	534	534	534	24,850		
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0		
	377-Outside Services-Temp Labor	0		0	0	0	0	0	0	0		
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0		
	530-Employee Expense	2,011		0	0	0	0	0	0	2,011		
	610-Expenses - General	0		0	0	0	0	0	2,040	2,040		
	805-Land and Land Rights	0		0	0	0	0	0	0	0		
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0		
	829-Construction Adjustment	0		0	0	0	-1,142	-1,107	-1,142	-3,391		
	426-Capitalized Interest	1,584		1,050	1,107	1,076	1,145	1,160	1,243	8,364		
	908-Luna AR - Labor	0		0	0	0	0	0	0	0		
	909-Luna AR - Other	0		0	0	0	0	0	0	0		
	913-Payroll Taxes Load	304		447	447	499	499	499	522	3,216		
	914-Pension and Benefits Load	582		856	856	956	956	956	1,000	6,160		
	915-Injuries and Damages Load	53		78	78	87	87	87	91	559		
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0		
	921-Stores / Purchasing Load	653		181	181	181	181	181	0	1,558		
	922-Minor Material Load	0		0	0	0	0	0	0	0		
	925-E and S Loads	0		0	0	0	0	0	0	0		
	926-A and G Loads	0		0	0	0	0	0	0	0		
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0		
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0		
	937-San Juan AR - Other	0		0	0	0	0	0	0	0		
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0		
	Cost Sum	29,558		12,765	12,822	13,493	12,419	12,469	9,688	103,213		
	825-Clearings	0		0	0	0	0	0	-301,028	-301,028		
	Clr Sum	0		0	0	0	0	0	-301,028	-301,028		
Proj Net		29,558		12,765	12,822	13,493	12,419	12,469	-291,340	-197,815		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96328416	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	32,846	0	0	0	0	0	0	0	0	0	0	0	0	32,846
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	25,000	0	0	0	0	0	0	0	0	0	0	0	0	25,000
	370-Outside Services	24,850	0	0	0	0	0	0	0	0	0	0	0	0	24,850
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	2,011	0	0	0	0	0	0	0	0	0	0	0	0	2,011
	610-Expenses - General	2,040	0	0	0	0	0	0	0	0	0	0	0	0	2,040
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-3,391	0	0	0	0	0	0	0	0	0	0	0	0	-3,391
	426-Capitalized Interest	8,364	0	0	0	0	0	0	0	0	0	0	0	0	8,364
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	3,216	0	0	0	0	0	0	0	0	0	0	0	0	3,216
	914-Pension and Benefits Load	6,160	0	0	0	0	0	0	0	0	0	0	0	0	6,160
	915-Injuries and Damages Load	559	0	0	0	0	0	0	0	0	0	0	0	0	559
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	1,558	0	0	0	0	0	0	0	0	0	0	0	0	1,558
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	103,213	0	0	0	0	0	0	0	0	0	0	0	0	103,213
	825-Clearings	-301,028	0	0	0	0	0	0	0	0	0	0	0	0	-301,028
	Clr Sum	-301,028	0	0	0	0	0	0	0	0	0	0	0	0	-301,028
	Proj Net	-197,815	0	0	0	0	0	0	0	0	0	0	0	0	-197,815

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96328416	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	32,846	0	0	0	0	0	0	0	0	0	0	0	0	32,846
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	25,000	0	0	0	0	0	0	0	0	0	0	0	0	25,000
	370-Outside Services	24,850	0	0	0	0	0	0	0	0	0	0	0	0	24,850
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	2,011	0	0	0	0	0	0	0	0	0	0	0	0	2,011
	610-Expenses - General	2,040	0	0	0	0	0	0	0	0	0	0	0	0	2,040
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-3,391	0	0	0	0	0	0	0	0	0	0	0	0	-3,391
	426-Capitalized Interest	8,364	0	0	0	0	0	0	0	0	0	0	0	0	8,364
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	3,216	0	0	0	0	0	0	0	0	0	0	0	0	3,216
	914-Pension and Benefits Load	6,160	0	0	0	0	0	0	0	0	0	0	0	0	6,160
	915-Injuries and Damages Load	559	0	0	0	0	0	0	0	0	0	0	0	0	559
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	1,558	0	0	0	0	0	0	0	0	0	0	0	0	1,558
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	103,213	0	0	0	0	0	0	0	0	0	0	0	0	103,213
	825-Clearings	-301,028	0	0	0	0	0	0	0	0	0	0	0	0	-301,028
	Clr Sum	-301,028	0	0	0	0	0	0	0	0	0	0	0	0	-301,028
	Proj Net	-197,815	0	0	0	0	0	0	0	0	0	0	0	0	-197,815

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Project No: 96428016 Computer Platform Refresh PC 2016

Company: 007-PNMR Services Co
Location: 964-Corp Alloc-IT Desktops-----

Project Information

<u>Construction Start Date</u>	2/1/2016	<u>Estimated Completion Date</u>
<u>List Interim In-Service Dates</u>		
<u>Project Need Justification</u>		

This project is part of PNMR's annual refresh of various desktop and laptop assets that are at end of life and warranty (typically 5 years of service). This is an on-going effort to replace of outdated computer equipment. Each year, PC hardware remains in service beyond its useful life there are negative impacts on the operability and reliability of the equipment. Eventually, the operational expenses associated with repairing and maintaining the equipment become greater than the value of the asset, and therefore the cost effective solution is to replace the asset.

Project Alternatives

There are no other alternatives to this project other than to do nothing and assume the inherent risk of having system outages, downtime, and lost data.

Technical Aspects

Procurement and replacement of outdated PC hardware throughout New Mexico service territories. PNMs preferred vendor, Zones, is used for all asset procurements given their broad product line availability and purchase price discounts provided to the company.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts from our Infrastructure Desktop Support team. Anticipated costs and cost types are based on historical information from previous Computer Platform Refresh PC projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96428016	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	2,366			2,400	2,400	2,400	2,400	2,400	2,400	16,766		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			16,033	50,000	65,000	100,000	0	0	231,033		
370-Outside Services	0			10,687	10,687	10,687	10,687	10,687	10,687	64,122		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	682			0	0	0	0	0	0	682		
610-Expenses - General	0			0	0	0	0	217	5,000	5,217		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-1,325	-1,284	-1,325	-3,934		
426-Capitalized Interest	917			422	639	897	1,328	1,555	1,675	7,433		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	264			232	232	232	232	232	232	1,656		
914-Pension and Benefits Load	505			444	444	444	444	444	444	3,172		
915-Injuries and Damages Load	46			40	40	40	40	40	40	288		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	750			580	1,810	2,353	3,620	0	0	9,114		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	5,530			30,839	66,253	82,054	117,427	14,291	19,153	335,548		
825-Clearings	0			0	0	0	0	0	-408,473	-408,473		
Clr Sum	0			0	0	0	0	0	-408,473	-408,473		
Proj Net	5,530			30,839	66,253	82,054	117,427	14,291	-389,320	-72,926		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96428016	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	16,766	0	0	0	0	0	0	0	0	0	0	0	0	16,766
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	231,033	0	0	0	0	0	0	0	0	0	0	0	0	231,033
	370-Outside Services	64,122	0	0	0	0	0	0	0	0	0	0	0	0	64,122
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	682	0	0	0	0	0	0	0	0	0	0	0	0	682
	610-Expenses - General	5,217	0	0	0	0	0	0	0	0	0	0	0	0	5,217
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-3,934	0	0	0	0	0	0	0	0	0	0	0	0	-3,934
	426-Capitalized Interest	7,433	0	0	0	0	0	0	0	0	0	0	0	0	7,433
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	1,656	0	0	0	0	0	0	0	0	0	0	0	0	1,656
	914-Pension and Benefits Load	3,172	0	0	0	0	0	0	0	0	0	0	0	0	3,172
	915-Injuries and Damages Load	288	0	0	0	0	0	0	0	0	0	0	0	0	288
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	9,114	0	0	0	0	0	0	0	0	0	0	0	0	9,114
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	335,548	0	0	0	0	0	0	0	0	0	0	0	0	335,548
	825-Clearings	-408,473	0	0	0	0	0	0	0	0	0	0	0	0	-408,473
	Clr Sum	-408,473	0	0	0	0	0	0	0	0	0	0	0	0	-408,473
	Proj Net	-72,926	0	0	0	0	0	0	0	0	0	0	0	0	-72,926

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96428016	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	16,766	0	0	0	0	0	0	0	0	0	0	0	0	16,766
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	231,033	0	0	0	0	0	0	0	0	0	0	0	0	231,033
	370-Outside Services	64,122	0	0	0	0	0	0	0	0	0	0	0	0	64,122
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	682	0	0	0	0	0	0	0	0	0	0	0	0	682
	610-Expenses - General	5,217	0	0	0	0	0	0	0	0	0	0	0	0	5,217
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-3,934	0	0	0	0	0	0	0	0	0	0	0	0	-3,934
	426-Capitalized Interest	7,433	0	0	0	0	0	0	0	0	0	0	0	0	7,433
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	1,656	0	0	0	0	0	0	0	0	0	0	0	0	1,656
	914-Pension and Benefits Load	3,172	0	0	0	0	0	0	0	0	0	0	0	0	3,172
	915-Injuries and Damages Load	288	0	0	0	0	0	0	0	0	0	0	0	0	288
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	9,114	0	0	0	0	0	0	0	0	0	0	0	0	9,114
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	335,548	0	0	0	0	0	0	0	0	0	0	0	0	335,548
	825-Clearings	-408,473	0	0	0	0	0	0	0	0	0	0	0	0	-408,473
	Clr Sum	-408,473	0	0	0	0	0	0	0	0	0	0	0	0	-408,473
	Proj Net	-72,926	0	0	0	0	0	0	0	0	0	0	0	0	-72,926

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828116	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	2,585			1,000	1,000	0	0	0	0	4,585		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	68,839			4,500	4,500	0	0	0	0	77,839		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	4,401			0	0	0	0	0	0	4,401		
610-Expenses - General	0			0	5,823	0	0	0	0	5,823		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	2,561			469	510	0	0	0	0	3,539		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	285			97	97	0	0	0	0	479		
914-Pension and Benefits Load	548			185	185	0	0	0	0	918		
915-Injuries and Damages Load	51			17	17	0	0	0	0	85		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	559			0	0	0	0	0	0	559		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	79,829			6,267	12,131	0	0	0	0	98,228		
825-Clearings	0			0	-119,616	0	0	0	0	-119,616		
Clr Sum	0			0	-119,616	0	0	0	0	-119,616		
Proj Net	79,829			6,267	-107,484	0	0	0	0	-21,388		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828116	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	4,585	0	0	0	0	0	0	0	0	0	0	0	0	4,585
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	77,839	0	0	0	0	0	0	0	0	0	0	0	0	77,839
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	4,401	0	0	0	0	0	0	0	0	0	0	0	0	4,401
	610-Expenses - General	5,823	0	0	0	0	0	0	0	0	0	0	0	0	5,823
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	3,539	0	0	0	0	0	0	0	0	0	0	0	0	3,539
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	479	0	0	0	0	0	0	0	0	0	0	0	0	479
	914-Pension and Benefits Load	918	0	0	0	0	0	0	0	0	0	0	0	0	918
	915-Injuries and Damages Load	85	0	0	0	0	0	0	0	0	0	0	0	0	85
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	559	0	0	0	0	0	0	0	0	0	0	0	0	559
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	98,228	0	0	0	0	0	0	0	0	0	0	0	0	98,228
	825-Clearings	-119,616	0	0	0	0	0	0	0	0	0	0	0	0	-119,616
	Clr Sum	-119,616	0	0	0	0	0	0	0	0	0	0	0	0	-119,616
	Proj Net	-21,388	0	0	0	0	0	0	0	0	0	0	0	0	-21,388

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828116	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	4,585	0	0	0	0	0	0	0	0	0	0	0	0	4,585
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	77,839	0	0	0	0	0	0	0	0	0	0	0	0	77,839
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	4,401	0	0	0	0	0	0	0	0	0	0	0	0	4,401
	610-Expenses - General	5,823	0	0	0	0	0	0	0	0	0	0	0	0	5,823
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	3,539	0	0	0	0	0	0	0	0	0	0	0	0	3,539
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	479	0	0	0	0	0	0	0	0	0	0	0	0	479
	914-Pension and Benefits Load	918	0	0	0	0	0	0	0	0	0	0	0	0	918
	915-Injuries and Damages Load	85	0	0	0	0	0	0	0	0	0	0	0	0	85
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	559	0	0	0	0	0	0	0	0	0	0	0	0	559
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	98,228	0	0	0	0	0	0	0	0	0	0	0	0	98,228
	825-Clearings	-119,616	0	0	0	0	0	0	0	0	0	0	0	0	-119,616
	Clr Sum	-119,616	0	0	0	0	0	0	0	0	0	0	0	0	-119,616
	Proj Net	-21,388	0	0	0	0	0	0	0	0	0	0	0	0	-21,388

Project No: 96828417 CPR Enterprise Software 2017

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

<u>Construction Start Date</u>	4/1/2017	<u>Estimated Completion Date</u>
<u>List Interim In-Service Dates</u>		
0		

Project Need Justification

This 2017 CPR Enterprise Software project refreshes core software used to run our various software platforms and end-user systems. The need for this project stems from the fact that many of the existing systems are at the end of life and no longer covered by a vendor warranty. The software that needs to be updated includes, but is not limited to, Adobe, Red Hat, Linux, Citrix and various Oracle products. This software is considered critical Company assets, and from a risk management perspective, these software packages need to be current and under vendor warranty/support.

Project Alternatives

Implement these planned annual refreshes of outdated software, or do nothing and assume an inherent risk of critical system outages, potential downtime and violation of software licensing agreements. Each year, a list of end-of-life software products is compiled and a quote is requested from the respective vendors. These assets are incrementally purchased and implemented throughout year, based on prioritization provided by the IT Infrastructure team.

Technical Aspects

Software procurement and implementations. Implementations include all phases of Quality Assurance testing before these assets are placed into production.

Project Estimate Approach

Cost estimates are provided by the respective software product vendors and reviewed and validated by the respective IT Infrastructure staff before any assets are purchased.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828417	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828417	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	15,000	15,000	15,000	15,000	15,000	20,250	0	0	0	95,250
370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	0	0	0	33	104	166	241	312	382	0	0	0	1,239
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	0	1,073	1,073	1,073	1,073	1,073	1,448	0	0	0	6,810
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	0	0	0	16,106	16,176	16,239	16,313	16,384	22,080	0	0	0	103,299
825-Clearings	0	0	0	0	0	0	0	0	0	-103,299	0	0	0	-103,299
Cir Sum	0	0	0	0	0	0	0	0	0	-103,299	0	0	0	-103,299
Proj Net	0	0	0	0	16,106	16,176	16,239	16,313	16,384	-81,219	0	0	0	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828417	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	95,250	0	0	0	0	0	0	0	0	0	0	0	0	95,250
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	1,239	0	0	0	0	0	0	0	0	0	0	0	0	1,239
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	6,810	0	0	0	0	0	0	0	0	0	0	0	0	6,810
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	103,299	0	0	0	0	0	0	0	0	0	0	0	0	103,299
	825-Clearings	-103,299	0	0	0	0	0	0	0	0	0	0	0	0	-103,299
	Clr Sum	-103,299	0	0	0	0	0	0	0	0	0	0	0	0	-103,299
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Project No: 96828418 96828418 - CPR Enterprise Software 2018

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

<u>Construction Start Date</u>	4/1/2018	<u>Estimated Completion Date</u>
<u>List Interim In-Service Dates</u>		

0

Project Need Justification

This 2018 CPR Enterprise Software project refreshes core software used to run our various software platforms and end-user systems. The need for this project stems from the fact that many of the existing systems are at the end of life and no longer covered by a vendor warranty. The software that needs to be updated includes, but is not limited to, Adobe, Red Hat, Linux, Citrix and various Oracle products. This software is considered critical Company assets, and from a risk management perspective, these software packages need to be current and under vendor warranty/support.

Project Alternatives

Implement these planned annual refreshes of outdated software, or do nothing and assume an inherent risk of critical system outages, potential downtime and violation of software licensing agreements. Each year, a list of end-of-life software products is compiled and a quote is requested from the respective vendors. These assets are incrementally purchased and implemented throughout year, based on prioritization provided by the IT Infrastructure team.

Technical Aspects

Software procurement and implementations. Implementations include all phases of Quality Assurance testing before these assets are placed into production.

Project Estimate Approach

Cost estimates are provided by the respective software product vendors and reviewed and validated by the respective IT Infrastructure staff before any assets are purchased.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828418	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828418	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828418	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	45,000	45,000	61,000	45,000	45,000	45,000	0	0	0	286,000
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	0	102	293	469	698	846	988	0	0	0	3,396
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	3,218	3,218	4,362	3,218	3,218	3,218	0	0	0	20,449
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	0	48,319	48,511	65,831	48,916	49,063	49,205	0	0	0	309,845
	825-Clearings	0	0	0	0	0	0	0	0	0	-309,845	0	0	0	-309,845
	Clr Sum	0	0	0	0	0	0	0	0	0	-309,845	0	0	0	-309,845
Proj Net		0	0	0	0	48,319	48,511	65,831	48,916	49,063	-260,640	0	0	0	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828717	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828717	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	2,500	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	57,500
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	25,000	10,000	0	0	0	0	0	0	0	0	0	35,000
370-Outside Services	0	0	0	0	5,000	10,000	10,000	10,000	10,000	15,000	15,000	15,000	15,000	105,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	3,500	3,500
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	7	76	192	247	316	373	456	530	595	710	782	913	5,196
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	178	355	355	355	355	355	355	355	355	355	355	355	4,083
914-Pension and Benefits Load	0	479	958	958	958	958	958	958	958	958	958	958	958	11,011
915-Injuries and Damages Load	0	34	69	69	69	69	69	69	69	69	69	69	69	788
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	1,788	715	0	0	0	0	0	0	0	0	0	2,503
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	3,197	33,245	17,288	11,628	16,697	16,754	16,837	16,911	21,976	22,091	22,163	25,794	224,580
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-224,580	-224,580
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-224,580	-224,580
Proj Net	0	3,197	33,245	17,288	11,628	16,697	16,754	16,837	16,911	21,976	22,091	22,163	-198,786	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project 96828717	Year	2018													
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	57,500	0	0	0	0	0	0	0	0	0	0	0	0	57,500	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	35,000	0	0	0	0	0	0	0	0	0	0	0	0	35,000	
370-Outside Services	105,000	0	0	0	0	0	0	0	0	0	0	0	0	105,000	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	3,500	0	0	0	0	0	0	0	0	0	0	0	0	3,500	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	5,196	0	0	0	0	0	0	0	0	0	0	0	0	5,196	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	4,083	0	0	0	0	0	0	0	0	0	0	0	0	4,083	
914-Pension and Benefits Load	11,011	0	0	0	0	0	0	0	0	0	0	0	0	11,011	
915-Injuries and Damages Load	788	0	0	0	0	0	0	0	0	0	0	0	0	788	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	2,503	0	0	0	0	0	0	0	0	0	0	0	0	2,503	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	224,580	0	0	0	0	0	0	0	0	0	0	0	0	224,580	
825-Clearings	-224,580	0	0	0	0	0	0	0	0	0	0	0	0	-224,580	
Clr Sum	-224,580	0	0	0	0	0	0	0	0	0	0	0	0	-224,580	
Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829016	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General		16,211		3,000	3,000	0	0	0	0	22,211		
120-Overtime-General		0		0	0	0	0	0	0	0		
350-Material Issues-Major		0		0	0	0	0	0	0	0		
370-Outside Services		239,514		25,000	25,000	0	0	0	0	289,514		
374-Outside Svcs Legal		0		0	0	0	0	0	0	0		
377-Outside Services-Temp Labor		0		0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor		0		0	0	0	0	0	0	0		
530-Employee Expense		0		0	0	0	0	0	0	0		
610-Expenses - General		0		0	8,162	0	0	0	0	8,162		
805-Land and Land Rights		0		0	0	0	0	0	0	0		
807-Non Refundable Contribution		0		0	0	0	0	0	0	0		
829-Construction Adjustment		0		0	0	0	0	0	0	0		
426-Capitalized Interest		6,824		1,299	1,453	0	0	0	0	9,575		
908-Luna AR - Labor		0		0	0	0	0	0	0	0		
909-Luna AR - Other		0		0	0	0	0	0	0	0		
913-Payroll Taxes Load		1,807		290	290	0	0	0	0	2,387		
914-Pension and Benefits Load		3,460		556	556	0	0	0	0	4,571		
915-Injuries and Damages Load		314		50	50	0	0	0	0	415		
918-San Juan AR-Labor		0		0	0	0	0	0	0	0		
921-Stores / Purchasing Load		1,483		0	0	0	0	0	0	1,483		
922-Minor Material Load		0		0	0	0	0	0	0	0		
925-E and S Loads		0		0	0	0	0	0	0	0		
926-A and G Loads		0		0	0	0	0	0	0	0		
928-AFUDC Debt Reg		0		0	0	0	0	0	0	0		
929-AFUDC - Equity Regular		0		0	0	0	0	0	0	0		
937-San Juan AR - Other		0		0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V		0		0	0	0	0	0	0	0		
Cost Sum		269,612		30,195	38,511	0	0	0	0	338,318		
825-Clearings		0		0	-342,871	0	0	0	0	-342,871		
Clr Sum		0		0	-342,871	0	0	0	0	-342,871		
Proj Net		269,612		30,195	-304,360	0	0	0	0	-4,553		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829016	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	22,211	0	0	0	0	0	0	0	0	0	0	0	0	22,211
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	289,514	0	0	0	0	0	0	0	0	0	0	0	0	289,514
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	8,162	0	0	0	0	0	0	0	0	0	0	0	0	8,162
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	9,575	0	0	0	0	0	0	0	0	0	0	0	0	9,575
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	2,387	0	0	0	0	0	0	0	0	0	0	0	0	2,387
	914-Pension and Benefits Load	4,571	0	0	0	0	0	0	0	0	0	0	0	0	4,571
	915-Injuries and Damages Load	415	0	0	0	0	0	0	0	0	0	0	0	0	415
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	1,483	0	0	0	0	0	0	0	0	0	0	0	0	1,483
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	338,318	0	0	0	0	0	0	0	0	0	0	0	0	338,318
	825-Clearings	-342,871	0	0	0	0	0	0	0	0	0	0	0	0	-342,871
	Clr Sum	-342,871	0	0	0	0	0	0	0	0	0	0	0	0	-342,871
	Proj Net	-4,553	0	0	0	0	0	0	0	0	0	0	0	0	-4,553

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829016	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	22,211	0	0	0	0	0	0	0	0	0	0	0	0	22,211
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	289,514	0	0	0	0	0	0	0	0	0	0	0	0	289,514
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	8,162	0	0	0	0	0	0	0	0	0	0	0	0	8,162
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	9,575	0	0	0	0	0	0	0	0	0	0	0	0	9,575
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	2,387	0	0	0	0	0	0	0	0	0	0	0	0	2,387
	914-Pension and Benefits Load	4,571	0	0	0	0	0	0	0	0	0	0	0	0	4,571
	915-Injuries and Damages Load	415	0	0	0	0	0	0	0	0	0	0	0	0	415
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	1,483	0	0	0	0	0	0	0	0	0	0	0	0	1,483
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	338,318	0	0	0	0	0	0	0	0	0	0	0	0	338,318
	825-Clearings	-342,871	0	0	0	0	0	0	0	0	0	0	0	0	-342,871
	Clr Sum	-342,871	0	0	0	0	0	0	0	0	0	0	0	0	-342,871
	Proj Net	-4,553	0	0	0	0	0	0	0	0	0	0	0	0	-4,553

Project No: 96829217 Technology Advancements_Future Capabilities - 2017

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 4/1/2017 Estimated Completion Date 12/31/2017

List Interim In-Service Dates

0

Project Need Justification

This 2017 project covers the development and deployment of IT solutions that have been requested by various units throughout the year. These solutions typically include system enhancements, new IT functionality, new reporting capabilities, Business Intelligence queries, etc. These requests are typically needed to improve operations, make work processes more efficient, and reduce costs. This annual project ensures the Company has the funds available to handle these frequent and on-going project requests. This project directly supports the Company's efforts to gain efficiencies, reduce costs and improve operations, which saves our customers money.

Project Alternatives

Continue to have funds to cover these on-going requests for new IT solutions, or do nothing. The do nothing approach would continue to result in sub-optimal operations. Each project request received throughout the year is first assessed for merit. If it is approved, it then undergoes an additional internal review and solution selection process with the IT department(s) that is most capable to implement the solution (will vary based on the service or capability requested)

Technical Aspects

Varying hardware, software, and implementation support solutions driven by business unit requests. Implementation includes all phases of Quality Assurance testing before systems are placed into production.

Project Estimate Approach

Schedule and cost estimates are prepared by Subject Matter Experts from various teams with our Infrastructure and application development areas, and are based on historical estimates used for a project with similar scope (e.g., Continuous Improvement Technology Enhancements).

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829217	Year	2016									
Cost Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829217	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	0	0	0	3,400	3,400	3,400	3,400	3,400	3,400	3,400	3,400	4,200	31,400
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	157,500
370-Outside Services	0	0	0	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	0	0	0	69	214	343	496	642	763	936	1,050	1,238	5,750
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	0	0	0	241	241	241	241	241	241	241	241	298	2,229
914-Pension and Benefits Load	0	0	0	0	651	651	651	651	651	651	651	651	804	6,013
915-Injuries and Damages Load	0	0	0	0	47	47	47	47	47	47	47	47	58	430
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	0	1,251	1,251	1,251	1,251	1,251	1,251	1,251	1,251	1,251	11,261
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	0	0	0	33,159	33,304	33,433	33,586	33,732	33,854	34,026	34,140	35,349	304,584
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-304,584	-304,584
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-304,584	-304,584
Proj Net	0	0	0	0	33,159	33,304	33,433	33,586	33,732	33,854	34,026	34,140	-269,235	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829217	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	31,400	0	0	0	0	0	0	0	0	0	0	0	0	31,400
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	157,500	0	0	0	0	0	0	0	0	0	0	0	0	157,500
	370-Outside Services	90,000	0	0	0	0	0	0	0	0	0	0	0	0	90,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	5,750	0	0	0	0	0	0	0	0	0	0	0	0	5,750
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	2,229	0	0	0	0	0	0	0	0	0	0	0	0	2,229
	914-Pension and Benefits Load	6,013	0	0	0	0	0	0	0	0	0	0	0	0	6,013
	915-Injuries and Damages Load	430	0	0	0	0	0	0	0	0	0	0	0	0	430
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	11,261	0	0	0	0	0	0	0	0	0	0	0	0	11,261
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	304,584	0	0	0	0	0	0	0	0	0	0	0	0	304,584
	825-Clearings	-304,584	0	0	0	0	0	0	0	0	0	0	0	0	-304,584
	Clr Sum	-304,584	0	0	0	0	0	0	0	0	0	0	0	0	-304,584
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 96829314 Data Archiving, Backup and Offsite Storage

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 2/1/2016 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

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Project Need Justification

PNM Resources has a mandatory obligation to retain certain types of documents off-site. In addition to offsite storage, off-site tape libraries are used to recover data in the event of a disaster impacting the Aztec Data Center. Ensuring that the company has the latest supported technology standards for back-up and off-site storage will help it meet its legal obligations and disaster recovery needs. This project will evaluate current data back-up and storage technologies available and select an optimal solution that best fits PNMR's data backup requirements. Though there are currently several solutions of this type of technology are readily available on the market, the goal of this project is to assess and implement the ones that are most cost-effective and have a logical fit within PNMR's IT architectural footprint.

Project Alternatives

Upgrade PNMR's data back-up and storage hardware and software assets to the latest, supported technology standards, or do nothing and assume the inherent risk of system outages, downtime and possible lost data. Given our long-standing history of partnering with vendors that provide these type of data storage solutions, we will leverage these relationships to procure and implement solutions that are cost-effective, reliable, and easy to support and maintain.

Technical Aspects

Project involves hardware and software procurement and implementation. Implementation will include all phases of quality assurance testing before the systems are placed into production.

Project Estimate Approach

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829314	Year	2016									
Cost Type		Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General		0		0	10,000	10,000	10,000	10,000	10,000	50,000		
120-Overtime-General		0		0	0	0	0	0	0	0		
350-Material Issues-Major		0		0	0	100,000	100,000	0	0	200,000		
370-Outside Services		0		0	10,000	25,000	25,000	25,000	25,000	110,000		
374-Outside Svcs Legal		0		0	0	0	0	0	0	0		
377-Outside Services-Temp Labor		0		0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor		0		0	0	0	0	0	0	0		
530-Employee Expense		0		0	0	0	0	0	0	0		
610-Expenses - General		0		0	0	0	0	7,396	3,508	10,904		
805-Land and Land Rights		0		0	0	0	0	0	0	0		
807-Non Refundable Contribution		0		0	0	0	0	0	0	0		
829-Construction Adjustment		0		0	0	0	-988	-957	-988	-2,933		
426-Capitalized Interest		0		0	52	390	990	1,340	1,568	4,340		
908-Luna AR - Labor		0		0	0	0	0	0	0	0		
909-Luna AR - Other		0		0	0	0	0	0	0	0		
913-Payroll Taxes Load		0		0	967	967	967	967	967	4,835		
914-Pension and Benefits Load		0		0	1,852	1,852	1,852	1,852	1,852	9,260		
915-Injuries and Damages Load		0		0	168	168	168	168	168	840		
918-San Juan AR-Labor		0		0	0	0	0	0	0	0		
921-Stores / Purchasing Load		0		0	0	3,620	3,620	0	0	7,240		
922-Minor Material Load		0		0	0	0	0	0	0	0		
925-E and S Loads		0		0	0	0	0	0	0	0		
926-A and G Loads		0		0	0	0	0	0	0	0		
928-AFUDC Debt Reg		0		0	0	0	0	0	0	0		
929-AFUDC - Equity Regular		0		0	0	0	0	0	0	0		
937-San Juan AR - Other		0		0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V		0		0	0	0	0	0	0	0		
Cost Sum		0		0	23,039	141,997	141,609	45,766	42,075	394,485		
825-Clearings		0		0	0	0	0	0	-394,485	-394,485		
Clr Sum		0		0	0	0	0	0	-394,485	-394,485		
Proj Net		0		0	23,039	141,997	141,609	45,766	-352,411	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829314	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	50,000	0	0	0	0	0	0	0	0	0	0	0	0	50,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	200,000	0	0	0	0	0	0	0	0	0	0	0	0	200,000
	370-Outside Services	110,000	0	0	0	0	0	0	0	0	0	0	0	0	110,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	10,904	0	0	0	0	0	0	0	0	0	0	0	0	10,904
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-2,933	0	0	0	0	0	0	0	0	0	0	0	0	-2,933
	426-Capitalized Interest	4,340	0	0	0	0	0	0	0	0	0	0	0	0	4,340
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	4,835	0	0	0	0	0	0	0	0	0	0	0	0	4,835
	914-Pension and Benefits Load	9,260	0	0	0	0	0	0	0	0	0	0	0	0	9,260
	915-Injuries and Damages Load	840	0	0	0	0	0	0	0	0	0	0	0	0	840
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	7,240	0	0	0	0	0	0	0	0	0	0	0	0	7,240
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	394,485	0	0	0	0	0	0	0	0	0	0	0	0	394,485
	825-Clearings	-394,485	0	0	0	0	0	0	0	0	0	0	0	0	-394,485
	Clr Sum	-394,485	0	0	0	0	0	0	0	0	0	0	0	0	-394,485
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829314	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	50,000	0	0	0	0	0	0	0	0	0	0	0	0	50,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	200,000	0	0	0	0	0	0	0	0	0	0	0	0	200,000
	370-Outside Services	110,000	0	0	0	0	0	0	0	0	0	0	0	0	110,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	10,904	0	0	0	0	0	0	0	0	0	0	0	0	10,904
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-2,933	0	0	0	0	0	0	0	0	0	0	0	0	-2,933
	426-Capitalized Interest	4,340	0	0	0	0	0	0	0	0	0	0	0	0	4,340
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	4,835	0	0	0	0	0	0	0	0	0	0	0	0	4,835
	914-Pension and Benefits Load	9,260	0	0	0	0	0	0	0	0	0	0	0	0	9,260
	915-Injuries and Damages Load	840	0	0	0	0	0	0	0	0	0	0	0	0	840
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	7,240	0	0	0	0	0	0	0	0	0	0	0	0	7,240
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	394,485	0	0	0	0	0	0	0	0	0	0	0	0	394,485
	825-Clearings	-394,485	0	0	0	0	0	0	0	0	0	0	0	0	-394,485
	Clr Sum	-394,485	0	0	0	0	0	0	0	0	0	0	0	0	-394,485
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 96829416 INTEL McAfee End Point Protection

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 7/15/2015 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

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Project Need Justification

This project involves designing and implementing Intel\McAfee Endpoint Protection Advanced Suite to replace the existing Microsoft System Center Endpoint Protection (SCEP) 2012 and Carbon Black for Endpoint protection system tools. The existing tools have experienced deficiencies in the past and are not as secure as the new tool. An improved IT Security solution is needed to ensure we continue to protect PNMR's systems and data by addressing the on-going and changing cybersecurity threats. The new INTEL McAfee Endpoint Protection tool solution provides protection against zero-day attacks, and helps the company ensure it is aligned with Regulatory Compliance, Always-On, Real-Time Malware Protection, Advanced Email Virus and Spam Protection, and Stateful Desktop Firewall protection requirements.

Project Alternatives

The alternatives evaluated included 1) Maintain current, in-use Microsoft System Center Endpoint Protection & Carbon Black 2) Replace the current system with a Symantec Endpoint Protection solution 3) replace our current system Intel\McAfee Endpoint Protection solution The Intel\McAfee core endpoint anti-malware product was our selected alternative given that this product achieved the highest overall scores in NSS Labs' Corporate AV/End Point Protection (EPP) Comparative Analysis, Exploit Protection Defenses Exploit protection test report and the highest possible score in protection against zero-day exploit and evasion attacks. Intel\McAfee is also the primary vendor that Operations Technology (OT) control system manufacturers are certifying for use on their platforms and the OT environment has already started migrating to the Intel platform. As such, Enterprise use of Intel\McAfee would allow standardization, increase uniformity & interoperability.

Technical Aspects

This project procures and implements hardware, software, and vendor support/services. Implementation will include all phases of quality assurance testing before the software is placed into production.

Project Estimate Approach

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829416	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
	110-Straight Time-General	46,364		5,000	5,000	5,000	0	0	0	61,364		
	120-Overtime-General	0		0	0	0	0	0	0	0		
	350-Material Issues-Major	0		0	0	0	0	0	0	0		
	370-Outside Services	247,217		10,000	10,000	10,000	0	0	0	277,217		
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0		
	377-Outside Services-Temp Labor	0		0	0	0	0	0	0	0		
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0		
	530-Employee Expense	0		0	0	0	0	0	0	0		
	610-Expenses - General	0		0	0	1,513	0	0	0	1,513		
	805-Land and Land Rights	0		0	0	0	0	0	0	0		
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0		
	829-Construction Adjustment	0		0	0	0	0	0	0	0		
	426-Capitalized Interest	16,716		322	397	440	0	0	0	17,875		
	908-Luna AR - Labor	0		0	0	0	0	0	0	0		
	909-Luna AR - Other	0		0	0	0	0	0	0	0		
	913-Payroll Taxes Load	4,873		484	484	484	0	0	0	6,324		
	914-Pension and Benefits Load	9,445		926	926	926	0	0	0	12,223		
	915-Injuries and Damages Load	1,044		84	84	84	0	0	0	1,296		
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0		
	921-Stores / Purchasing Load	4,768		0	0	0	0	0	0	4,768		
	922-Minor Material Load	0		0	0	0	0	0	0	0		
	925-E and S Loads	0		0	0	0	0	0	0	0		
	926-A and G Loads	0		0	0	0	0	0	0	0		
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0		
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0		
	937-San Juan AR - Other	0		0	0	0	0	0	0	0		
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0		
	Cost Sum	330,427		16,815	16,891	18,446	0	0	0	382,579		
	825-Clearings	-744,344		0	0	-115,395	0	0	0	-859,739		
	Clr Sum	-744,344		0	0	-115,395	0	0	0	-859,739		
Proj Net		-413,917		16,815	16,891	-96,949	0	0	0	-477,160		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829416	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	61,364	0	0	0	0	0	0	0	0	0	0	0	0	61,364
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	277,217	0	0	0	0	0	0	0	0	0	0	0	0	277,217
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	1,513	0	0	0	0	0	0	0	0	0	0	0	0	1,513
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	17,875	0	0	0	0	0	0	0	0	0	0	0	0	17,875
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	6,324	0	0	0	0	0	0	0	0	0	0	0	0	6,324
	914-Pension and Benefits Load	12,223	0	0	0	0	0	0	0	0	0	0	0	0	12,223
	915-Injuries and Damages Load	1,296	0	0	0	0	0	0	0	0	0	0	0	0	1,296
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	4,768	0	0	0	0	0	0	0	0	0	0	0	0	4,768
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	382,579	0	0	0	0	0	0	0	0	0	0	0	0	382,579
	825-Clearings	-859,739	0	0	0	0	0	0	0	0	0	0	0	0	-859,739
	Clr Sum	-859,739	0	0	0	0	0	0	0	0	0	0	0	0	-859,739
Proj Net		-477,160	0	0	0	0	0	0	0	0	0	0	0	0	-477,160

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829416	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	61,364	0	0	0	0	0	0	0	0	0	0	0	0	61,364	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	277,217	0	0	0	0	0	0	0	0	0	0	0	0	277,217	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	1,513	0	0	0	0	0	0	0	0	0	0	0	0	1,513	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	17,875	0	0	0	0	0	0	0	0	0	0	0	0	17,875	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	6,324	0	0	0	0	0	0	0	0	0	0	0	0	6,324	
914-Pension and Benefits Load	12,223	0	0	0	0	0	0	0	0	0	0	0	0	12,223	
915-Injuries and Damages Load	1,296	0	0	0	0	0	0	0	0	0	0	0	0	1,296	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	4,768	0	0	0	0	0	0	0	0	0	0	0	0	4,768	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	382,579	0	0	0	0	0	0	0	0	0	0	0	0	382,579	
825-Clearings	-859,739	0	0	0	0	0	0	0	0	0	0	0	0	-859,739	
Clr Sum	-859,739	0	0	0	0	0	0	0	0	0	0	0	0	-859,739	
Proj Net	-477,160	0	0	0	0	0	0	0	0	0	0	0	0	-477,160	

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Project No: 96829716 eDOCS Collaboration Replacement

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 9/1/2016 Estimated Completion Date 6/30/2017

List Interim In-Service Dates

0

Project Need Justification

This project will successfully replace the current eDOCS Collaboration system being throughout the enterprise to manage documentation and project communication among teams. This system is actively used by business units throughout PNMR and its subsidiaries. eDOCS Collaboration is an OpenText product and has been in production at PNMR for approximately 20 years. The system currently resides on a Windows Server 2008 platform, with a SQL 2005 database. In June 2014, OpenText confirmed that would no longer support the system on Windows Server 2008 or 2012; instead it would place they system on a Windows Server 2003 indefinitely. This poses a security risk for PNMR, as Microsoft ended support of Windows Server 2003 in July 2015. Due to end of support, there has been an effort lead by Business Technology Services (BTS) to migrate all servers away from Windows 2003 to a more updated version that is still supported by Microsoft.

Project Alternatives

No other alternatives are available. Since there is no upgrade options available for the eDOCS Collaboration system and database, there is a pressing need to find a suitable replacement that will meet the needs of the business, while complying with BTS’s Standards for supportable platforms.

Technical Aspects

This project includes procurement and implementation of software, hardware and professional services/support. Implementation will include all phases of quality assurance testing before this system in placed into production.

Project Estimate Approach

Estimated project costs were basis on Subject Matter Expert inputs from the IT Application SharePoint Support team, and cost and schedule historical data from previous, similar projects for building out collaboration-type functionality into our current in-house SharePoint system.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829716	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			7,500	7,500	7,500	10,000	10,000	10,000	52,500		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	40,000	40,000	0	0	80,000		
370-Outside Services	0			0	0	15,000	15,000	15,000	35,000	80,000		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	2,262	14,000	16,262		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-506	-490	-506	-1,501		
426-Capitalized Interest	0			22	66	219	507	694	911	2,418		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			725	725	725	967	967	967	5,077		
914-Pension and Benefits Load	0			1,389	1,389	1,389	1,852	1,852	1,852	9,723		
915-Injuries and Damages Load	0			126	126	126	168	168	168	882		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	1,448	1,448	0	0	2,896		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			9,762	9,806	66,407	69,436	30,453	62,393	248,257		
825-Clearings	0			0	0	0	0	0	-248,257	-248,257		
Cir Sum	0			0	0	0	0	0	-248,257	-248,257		
Proj Net	0			9,762	9,806	66,407	69,436	30,453	-185,864	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829716	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	52,500	10,000	10,000	10,000	10,000	10,000	10,000	0	0	0	0	0	0	112,500
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	80,000	0	0	0	0	0	0	0	0	0	0	0	0	80,000
	370-Outside Services	80,000	0	0	0	0	7,500	7,500	0	0	0	0	0	0	95,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	16,262	0	0	0	0	0	0	0	0	0	0	0	0	16,262
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	5,939	0	0	0	0	0	0	5,939
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-1,501	-27	-24	0	0	0	0	0	0	0	0	0	0	-1,553
	426-Capitalized Interest	2,418	27	74	137	186	264	351	0	0	0	0	0	0	3,457
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	5,077	710	710	710	710	710	710	0	0	0	0	0	0	9,337
	914-Pension and Benefits Load	9,723	1,915	1,915	1,915	1,915	1,915	1,915	0	0	0	0	0	0	21,213
	915-Injuries and Damages Load	882	137	137	137	137	137	137	0	0	0	0	0	0	1,704
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	2,896	0	0	0	0	0	0	0	0	0	0	0	0	2,896
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	248,257	12,762	12,811	12,899	12,948	20,526	26,552	0	0	0	0	0	0	346,756
	825-Clearings	-248,257	0	0	0	0	0	-98,499	0	0	0	0	0	0	-346,756
	Clr Sum	-248,257	0	0	0	0	0	-98,499	0	0	0	0	0	0	-346,756
	Proj Net	0	12,762	12,811	12,899	12,948	20,526	-71,946	0	0	0	0	0	0	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829716	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	112,500	0	0	0	0	0	0	0	0	0	0	0	0	112,500
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	80,000	0	0	0	0	0	0	0	0	0	0	0	0	80,000
	370-Outside Services	95,000	0	0	0	0	0	0	0	0	0	0	0	0	95,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	16,262	0	0	0	0	0	0	0	0	0	0	0	0	16,262
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	5,939	0	0	0	0	0	0	0	0	0	0	0	0	5,939
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-1,553	0	0	0	0	0	0	0	0	0	0	0	0	-1,553
	426-Capitalized Interest	3,457	0	0	0	0	0	0	0	0	0	0	0	0	3,457
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	9,337	0	0	0	0	0	0	0	0	0	0	0	0	9,337
	914-Pension and Benefits Load	21,213	0	0	0	0	0	0	0	0	0	0	0	0	21,213
	915-Injuries and Damages Load	1,704	0	0	0	0	0	0	0	0	0	0	0	0	1,704
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	2,896	0	0	0	0	0	0	0	0	0	0	0	0	2,896
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	346,756	0	0	0	0	0	0	0	0	0	0	0	0	346,756
	825-Clearings	-346,756	0	0	0	0	0	0	0	0	0	0	0	0	-346,756
	Clr Sum	-346,756	0	0	0	0	0	0	0	0	0	0	0	0	-346,756
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 96829816 MS SCCM Upgrade 2016

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 7/29/2015 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

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Project Need Justification

This project updates Microsoft System Center Configuration Manager (MS SCCM) to the latest supported 2012 version to be compatible with Microsoft Active Directory (MS AD) 2012 release 2, and implements this software solution on a new hardware platform of multiple servers which is Microsoft's optimal recommendation for efficiency and redundancy. Microsoft SCCM is a Windows product that enables administrators to manage the deployment of applications and security products across the Enterprise. Microsoft Active Directory is used for authenticating/authorizing users to access IT systems, and assigning and authorizing security policies. Both of these are considered critical, security-related systems. Implementation of this project will ensure our SCCM product is more robust and redundant by upgrading off a single server hardware instance, and bringing us up to a software release that is fully secure and supported.

Project Alternatives

Microsoft SCCM is the only tool for policy configuration and patching on a Microsoft Active Directory domain. We could continue to use our current single server instance and old software version, but that would introduce significant risks by not enabling us to be in full compliance with security patching and end point configuration needs. A complete update to this application and hardware therefore is required in order for this system to be fully secure. SecureState is the vendor that we have selected to assist with this SCCM upgrade, since they know our environment very well, having performed security vulnerability assessments on our network for several years.

Technical Aspects

Software and hardware procurement and implementation. Implementation will include all phases of Quality Assurance testing before the system is placed into production. The installation needs to be implemented on new servers and data migration completed. The old infrastructure will be decommissioned following completion.

Project Estimate Approach

Expected vendors we will be relying on to plan and implement this project include Zones for hardware and software, Cognizant for Quality Assurance testing

support, Infosys for hardware/software implementation and configuration, and SecureState for configurations needed between MS SCCM and MS AD. Cognizant and Infosys are on multi-year contract with PNM to provide IT application development, testing, and infrastructure outside services and support. Zones is PNM's preferred vendor for hardware/software. Internal labor cost forecasting was completed based on the expected level of effort to complete the necessary work. Internal labor costs will be for project management, IT Security management, and IT Security administration. Total project budget estimates consist of 23% for internal labor, and 77% for materials/outside services and support provided by Cognizant, Infosys, SecureState and Zones.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829816	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General		0		12,000	10,000	10,000	10,000	10,000	10,000	62,000		
120-Overtime-General		0		0	0	0	0	0	0	0		
350-Material Issues-Major		0		0	0	0	0	0	0	0		
370-Outside Services	34,340			35,000	35,000	35,000	35,000	35,000	35,000	244,340		
374-Outside Svcs Legal		0		0	0	0	0	0	0	0		
377-Outside Services-Temp Labor		0		0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor		0		0	0	0	0	0	0	0		
530-Employee Expense		0		0	0	0	0	0	0	0		
610-Expenses - General		0		0	0	0	0	0	9,854	9,854		
805-Land and Land Rights		0		0	0	0	0	0	0	0		
807-Non Refundable Contribution		0		0	0	0	0	0	0	0		
829-Construction Adjustment		0		0	0	0	-875	-848	-875	-2,597		
426-Capitalized Interest	89			280	503	665	877	1,045	1,302	4,760		
908-Luna AR - Labor		0		0	0	0	0	0	0	0		
909-Luna AR - Other		0		0	0	0	0	0	0	0		
913-Payroll Taxes Load		0		1,160	967	967	967	967	967	5,995		
914-Pension and Benefits Load		0		2,222	1,852	1,852	1,852	1,852	1,852	11,482		
915-Injuries and Damages Load		0		202	168	168	168	168	168	1,042		
918-San Juan AR-Labor		0		0	0	0	0	0	0	0		
921-Stores / Purchasing Load	213			0	0	0	0	0	0	213		
922-Minor Material Load		0		0	0	0	0	0	0	0		
925-E and S Loads		0		0	0	0	0	0	0	0		
926-A and G Loads		0		0	0	0	0	0	0	0		
928-AFUDC Debt Reg		0		0	0	0	0	0	0	0		
929-AFUDC - Equity Regular		0		0	0	0	0	0	0	0		
937-San Juan AR - Other		0		0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V		0		0	0	0	0	0	0	0		
Cost Sum		34,642		50,864	48,490	48,652	47,989	48,184	58,268	337,089		
825-Clearings		0		0	0	0	0	0	-339,276	-339,276		
Clr Sum		0		0	0	0	0	0	-339,276	-339,276		
Proj Net		34,642		50,864	48,490	48,652	47,989	48,184	-281,008	-2,188		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829816	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	62,000	0	0	0	0	0	0	0	0	0	0	0	0	62,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	244,340	0	0	0	0	0	0	0	0	0	0	0	0	244,340
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	9,854	0	0	0	0	0	0	0	0	0	0	0	0	9,854
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-2,597	0	0	0	0	0	0	0	0	0	0	0	0	-2,597
	426-Capitalized Interest	4,760	0	0	0	0	0	0	0	0	0	0	0	0	4,760
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	5,995	0	0	0	0	0	0	0	0	0	0	0	0	5,995
	914-Pension and Benefits Load	11,482	0	0	0	0	0	0	0	0	0	0	0	0	11,482
	915-Injuries and Damages Load	1,042	0	0	0	0	0	0	0	0	0	0	0	0	1,042
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	213	0	0	0	0	0	0	0	0	0	0	0	0	213
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	337,089	0	0	0	0	0	0	0	0	0	0	0	0	337,089
	825-Clearings	-339,276	0	0	0	0	0	0	0	0	0	0	0	0	-339,276
	Clr Sum	-339,276	0	0	0	0	0	0	0	0	0	0	0	0	-339,276
	Proj Net	-2,188	0	0	0	0	0	0	0	0	0	0	0	0	-2,188

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829816	Year	2018												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	62,000	0	0	0	0	0	0	0	0	0	0	0	0	62,000	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	244,340	0	0	0	0	0	0	0	0	0	0	0	0	244,340	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	9,854	0	0	0	0	0	0	0	0	0	0	0	0	9,854	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	-2,597	0	0	0	0	0	0	0	0	0	0	0	0	-2,597	
426-Capitalized Interest	4,760	0	0	0	0	0	0	0	0	0	0	0	0	4,760	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	5,995	0	0	0	0	0	0	0	0	0	0	0	0	5,995	
914-Pension and Benefits Load	11,482	0	0	0	0	0	0	0	0	0	0	0	0	11,482	
915-Injuries and Damages Load	1,042	0	0	0	0	0	0	0	0	0	0	0	0	1,042	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	213	0	0	0	0	0	0	0	0	0	0	0	0	213	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	337,089	0	0	0	0	0	0	0	0	0	0	0	0	337,089	
825-Clearings	-339,276	0	0	0	0	0	0	0	0	0	0	0	0	-339,276	
Clr Sum	-339,276	0	0	0	0	0	0	0	0	0	0	0	0	-339,276	
Proj Net	-2,188	0	0	0	0	0	0	0	0	0	0	0	0	-2,188	

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Project No: 96829817 MS Office Suite Upgrade

Company: 007-PNMR Services Co
Location: 964-Corp Alloc-IT Desktops-----

Project Information

Construction Start Date 3/1/2017 Estimated Completion Date 12/31/2017

List Interim In-Service Dates

0

Project Need Justification

This project upgrades all Microsoft Office 2013 Office products to Microsoft's next generation of Office Suite products. Our current Office 2013 products that are being used throughout PNM will no longer be supported by Microsoft beginning in April 2018. By not using a supported Microsoft Office version, the company's Microsoft products would not receive required system patches and bug fixes, which would significantly increase risk for network intrusions and cybersecurity incidents.

Project Alternatives

Implement these MS Office product upgrades, or do nothing and run our systems on an unsupported and unsecure desktop platform. This will make PNM vulnerable for IT security incidents and possible data breaches.

Technical Aspects

Incremental rollout of approximately 2,750 MS Office Suite products throughout the Company and throughout the year. All phases of quality assurance testing will be done before systems are placed into production.

Project Estimate Approach

Cost estimates were provided by Subject Matter Experts from our Infrastructure Support team, and were based on historical schedule and cost information from previous, similar MS Office Suite upgrade-related projects. Expected cost and cost type breakouts allocate as 18% for internal labor, 81% for outside services/support, and 1% for materials/equipment.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829817	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829817	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	0	0	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	70,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	3,500	0	0	0	0	0	0	0	0	0	3,500
370-Outside Services	0	0	0	0	15,000	15,000	15,000	30,000	34,000	35,000	35,000	35,000	35,000	249,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	0	0	27	102	209	301	445	624	789	1,009	1,167	1,404	6,080
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	0	0	497	497	497	497	497	497	497	497	497	497	4,970
914-Pension and Benefits Load	0	0	0	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	1,341	13,405
915-Injuries and Damages Load	0	0	0	96	96	96	96	96	96	96	96	96	96	959
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	250	0	0	0	0	0	0	0	0	0	250
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	0	0	12,711	24,036	24,143	24,234	39,379	43,558	44,723	44,943	45,101	45,338	348,164
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-348,164	-348,164
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-348,164	-348,164
Proj Net	0	0	0	12,711	24,036	24,143	24,234	39,379	43,558	44,723	44,943	45,101	-302,826	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829817	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	70,000	0	0	0	0	0	0	0	0	0	0	0	0	70,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	3,500	0	0	0	0	0	0	0	0	0	0	0	0	3,500
	370-Outside Services	249,000	0	0	0	0	0	0	0	0	0	0	0	0	249,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	6,080	0	0	0	0	0	0	0	0	0	0	0	0	6,080
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	4,970	0	0	0	0	0	0	0	0	0	0	0	0	4,970
	914-Pension and Benefits Load	13,405	0	0	0	0	0	0	0	0	0	0	0	0	13,405
	915-Injuries and Damages Load	959	0	0	0	0	0	0	0	0	0	0	0	0	959
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	250	0	0	0	0	0	0	0	0	0	0	0	0	250
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	348,164	0	0	0	0	0	0	0	0	0	0	0	0	348,164
	825-Clearings	-348,164	0	0	0	0	0	0	0	0	0	0	0	0	-348,164
	Clr Sum	-348,164	0	0	0	0	0	0	0	0	0	0	0	0	-348,164
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	99328317	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	99328317	Year	2017											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	2,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	85,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	50,000	0	0	0	0	0	0	0	0	0	50,000
370-Outside Services	0	0	0	0	8,000	8,000	8,000	10,000	20,000	20,000	20,000	20,000	20,000	134,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	7	31	190	353	442	499	596	706	812	971	1,070	1,241	6,915
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	178	533	533	533	533	533	533	533	533	533	533	533	6,035
914-Pension and Benefits Load	0	479	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	1,436	16,278
915-Injuries and Damages Load	0	34	103	103	103	103	103	103	103	103	103	103	103	1,165
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	3,575	0	0	0	0	0	0	0	0	0	3,575
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	3,197	9,602	63,336	17,924	18,013	18,071	20,167	30,278	30,383	30,542	30,641	30,812	302,967
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-302,967	-302,967
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-302,967	-302,967
Proj Net	0	3,197	9,602	63,336	17,924	18,013	18,071	20,167	30,278	30,383	30,542	30,641	-272,155	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	99328317	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	85,000	0	0	0	0	0	0	0	0	0	0	0	0	85,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	50,000	0	0	0	0	0	0	0	0	0	0	0	0	50,000
	370-Outside Services	134,000	0	0	0	0	0	0	0	0	0	0	0	0	134,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	6,915	0	0	0	0	0	0	0	0	0	0	0	0	6,915
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	6,035	0	0	0	0	0	0	0	0	0	0	0	0	6,035
	914-Pension and Benefits Load	16,278	0	0	0	0	0	0	0	0	0	0	0	0	16,278
	915-Injuries and Damages Load	1,165	0	0	0	0	0	0	0	0	0	0	0	0	1,165
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	3,575	0	0	0	0	0	0	0	0	0	0	0	0	3,575
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	302,967	0	0	0	0	0	0	0	0	0	0	0	0	302,967
	825-Clearings	-302,967	0	0	0	0	0	0	0	0	0	0	0	0	-302,967
	Clr Sum	-302,967	0	0	0	0	0	0	0	0	0	0	0	0	-302,967
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Company: 007-PNMR Services Co
Location: 993-Corp Alloc PNMR Employee Count-----

<u>Construction Start Date</u>	1/15/2018	<u>Estimated Completion Date</u>	12/31/2018
<u>List Interim In-Service Dates</u>	0		

This program upgrades and expands the capabilities of the Company's Human Resources (HR) systems and reporting capabilities. These upgrades are needed to help business units effectively manage their personnel; and provide managers and employees greater support in the areas of workforce development, compensation and benefits, healthcare management, training, employee relations, career development, staffing and employee wellness. Ongoing upgrades to modernize the Company's HR systems are needed to maximize the productivity of the workforce.

The only other option to the upgrade is to do nothing. The do nothing approach would require the Company to use the same system which currently has system limitations that impact Corporate and business unit HR functions ability to meet on-going, and frequently changing Human Resources work processes, practices and regulatory compliance requirements.

Hardware and software procurements, development and implementation. Implementation will include all phases of Quality Assurance testing before these assets are placed into production.

Cost estimates have been provided by Subject Matter Experts from our IT Corporate Systems team. Anticipated costs and cost types are based on historical information from previous HR-related IT projects.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	99328318	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	99328318	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
914-Pension and Benefits Load		0	0	0	0	0	0	0	0	0	0	0	0	0	0
915-Injuries and Damages Load		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	99328318	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	7,500	7,500	7,500	22,500
370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	14	38	70	95	117	128	157	174	191	235	278	339	1,835
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	355	355	355	355	355	355	355	355	355	355	355	355	4,260
914-Pension and Benefits Load	0	958	958	958	958	958	958	958	958	958	958	958	958	11,490
915-Injuries and Damages Load	0	69	69	69	69	69	69	69	69	69	69	69	69	822
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	536	536	536	1,609
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	6,395	6,419	6,451	6,476	6,498	6,509	6,538	6,555	6,572	14,652	14,695	14,756	102,516
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-102,516	-102,516
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-102,516	-102,516
Proj Net	0	6,395	6,419	6,451	6,476	6,498	6,509	6,538	6,555	6,572	14,652	14,695	-87,760	0

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Project No: 99329016 Variable Compensation Management

Company: 007-PNMR Services Co
Location: 993-Corp Alloc PNMR Employee Count-----

Project Information

Construction Start Date 8/1/2016 Estimated Completion Date 6/30/2017

List Interim In-Service Dates

0

Project Need Justification

This project develops and implements several automated processes for incentive compensation plans. These processes will improve the way the plans are administered within the Compensation group. This solution will allow the Compensation group to more effectively administer the different incentive plans while decreasing the manual effort that is currently required. The current process involves performing manual calculation across the company's three incentive plans. By moving towards an automated system, the company will be better able to identify mistakes and reduce the amount of time dedicated to performing this task.

Project Alternatives

The potential alternative is to do nothing. This approach will continue to result in errors in tracking and calculations, as well as delays in payouts due to time to track and calculate awards. The current system risks deficiency if the department has any type of turnover.

Technical Aspects

This is an internally-developed solution, built in our existing PeopleSoft HR system. Effort will be limited to software development and testing only.

Project Estimate Approach

Estimated project cost was basis on Subject Matter Expert estimates from our Corporate Systems Application Support team. Assumed costs will be budgeted as 95% internal labor for software development and 5% outside services for system testing.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	99329016	Year	2016									
Cost Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	6,000	6,000	6,000	6,000	6,000	30,000		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	2,500	2,500	2,500	7,500		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	3,033	3,033		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-87	-84	-87	-259		
426-Capitalized Interest	0			0	18	49	87	127	180	460		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	580	580	580	580	580	2,901		
914-Pension and Benefits Load	0			0	1,111	1,111	1,111	1,111	1,111	5,556		
915-Injuries and Damages Load	0			0	101	101	101	101	101	504		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	7,810	7,841	10,292	10,334	13,419	49,696		
825-Clearings	0			0	0	0	0	0	-49,696	-49,696		
Cir Sum	0			0	0	0	0	0	-49,696	-49,696		
Proj Net	0			0	7,810	7,841	10,292	10,334	-36,277	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	99329016	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	30,000	15,500	10,000	10,000	10,000	10,000	10,000	0	0	0	0	0	0	95,500	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	7,500	0	0	0	0	5,000	9,800	0	0	0	0	0	0	22,300	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	3,033	0	0	0	0	0	0	0	0	0	0	0	0	3,033	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	-259	-42	-38	0	0	0	0	0	0	0	0	0	0	-338	
426-Capitalized Interest	460	42	101	167	216	290	363	0	0	0	0	0	0	1,637	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	2,901	1,101	710	710	710	710	710	0	0	0	0	0	0	7,552	
914-Pension and Benefits Load	5,556	2,968	1,915	1,915	1,915	1,915	1,915	0	0	0	0	0	0	18,099	
915-Injuries and Damages Load	504	212	137	137	137	137	137	0	0	0	0	0	0	1,401	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	49,696	19,781	12,825	12,929	12,978	18,052	22,925	0	0	0	0	0	0	149,184	
825-Clearings	-49,696	0	0	0	0	0	-99,488	0	0	0	0	0	0	-149,184	
Clr Sum	-49,696	0	0	0	0	0	-99,488	0	0	0	0	0	0	-149,184	
Proj Net	0	19,781	12,825	12,929	12,978	18,052	-76,564	0	0	0	0	0	0	0	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	99329016	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	95,500	0	0	0	0	0	0	0	0	0	0	0	0	95,500
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	22,300	0	0	0	0	0	0	0	0	0	0	0	0	22,300
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	3,033	0	0	0	0	0	0	0	0	0	0	0	0	3,033
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-338	0	0	0	0	0	0	0	0	0	0	0	0	-338
	426-Capitalized Interest	1,637	0	0	0	0	0	0	0	0	0	0	0	0	1,637
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	7,552	0	0	0	0	0	0	0	0	0	0	0	0	7,552
	914-Pension and Benefits Load	18,099	0	0	0	0	0	0	0	0	0	0	0	0	18,099
	915-Injuries and Damages Load	1,401	0	0	0	0	0	0	0	0	0	0	0	0	1,401
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	149,184	0	0	0	0	0	0	0	0	0	0	0	0	149,184
	825-Clearings	-149,184	0	0	0	0	0	0	0	0	0	0	0	0	-149,184
	Clr Sum	-149,184	0	0	0	0	0	0	0	0	0	0	0	0	-149,184
	Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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PNMR Corporate Tier Level 3 Capital Projects

PNM Exhibit SMM-4

Is contained in the following 44 pages

Electronic Instructions:

To view detailed costs for each project, click project to highlight then Press "CTRL" and left click on mouse.

To return back to index from detailed costs, click "CTRL" and "Home"

Wednesday, November 16, 2016

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PNM EXHIBIT SMM-4 PNMR Corporate Tier Level 3 Capital Projects

Link/Test

CWIP

Total

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Technology Projects

Project No: 91128316 MV-90xi v5.0 Upgrade

Company: 007-PNMR Services Co
Location: 911-Corp Alloc Financial Systems-----

Project Information

Construction Start Date 5/25/2016 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

Project Need Justification

PNM is currently using a version of MV-90xi that the vendor, Itron, will move to the limited support category at the end of June 2016 and will no longer support after 2016. The MV-90xi system is used for collecting meter interval data (usage and demand) information from 300 of the largest business users. It is the source system to create bills for 36 manually billed customers that have usage either too large to be sent to Banner or too complex for system billing. MV-90xi feeds data into the MRI/Data Warehouse, which is used for Fuel Clause and other critical month-end accounting functions. The MV-90xi system is also the source system for the network system invoicing, transmission accounting, and provides required reporting for external customers. The system collects and distributes data for load research, approximately 1500 meters and the Itron application MVWeb known as Profiler internally that account management, billing, and external large customers use to track usage. There are no other PNM systems that perform/could perform this function. In order to continue to have vendor support for this critical system we must complete the upgrade no later than the end of 2016.

Project Alternatives

None. The NM MV-90xi system requires upgrading in order to maintain Itron support. The QA system is being added to eliminate the current risk associated with performing all upgrades/modifications/tests directly on the production system.

Technical Aspects

This project will upgrade the NM MV-90xi system from version 3.0 to version 5.0. Additionally, currently there is no MV-90xi QA system which means that all changes/testing for this critical system are performed directly on the production system. This project will add an MV-90xi v5.0 QA system to permit changes to be tested before being applied to the production MV-90xi system.

Project Estimate Approach

Cost estimates were provided by Subject Matter Experts from the IT Application Customer Service Support team, and from a vendors quotes for hardware, software, implementation support and testing.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	91128316	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
	110-Straight Time-General	651		2,500	2,500	2,500	2,500	1,250	0	11,901		
	120-Overtime-General	0		0	0	0	0	0	0	0		
	350-Material Issues-Major	0		0	0	0	0	0	0	0		
	370-Outside Services	0		0	25,000	2,500	2,500	17,500	0	47,500		
	374-Outside Svcs Legal	0		0	0	0	0	0	0	0		
	377-Outside Services-Temp Labor	0		0	0	0	0	0	0	0		
	391-Jt Proj Bills to PNM-Non-Labor	0		0	0	0	0	0	0	0		
	530-Employee Expense	0		0	0	0	0	0	0	0		
	610-Expenses - General	0		0	0	0	0	1,708	0	1,708		
	805-Land and Land Rights	0		0	0	0	0	0	0	0		
	807-Non Refundable Contribution	0		0	0	0	0	0	0	0		
	829-Construction Adjustment	0		0	0	0	-208	-202	0	-410		
	426-Capitalized Interest	22		49	120	182	209	256	0	839		
	908-Luna AR - Labor	0		0	0	0	0	0	0	0		
	909-Luna AR - Other	0		0	0	0	0	0	0	0		
	913-Payroll Taxes Load	73		242	242	242	242	121	0	1,160		
	914-Pension and Benefits Load	139		463	463	463	463	232	0	2,222		
	915-Injuries and Damages Load	13		42	42	42	42	21	0	202		
	918-San Juan AR-Labor	0		0	0	0	0	0	0	0		
	921-Stores / Purchasing Load	10		0	0	0	0	0	0	10		
	922-Minor Material Load	0		0	0	0	0	0	0	0		
	925-E and S Loads	0		0	0	0	0	0	0	0		
	926-A and G Loads	0		0	0	0	0	0	0	0		
	928-AFUDC Debt Reg	0		0	0	0	0	0	0	0		
	929-AFUDC - Equity Regular	0		0	0	0	0	0	0	0		
	937-San Juan AR - Other	0		0	0	0	0	0	0	0		
	961-Luna A&G PNMR D&V	0		0	0	0	0	0	0	0		
	Cost Sum	907		3,296	28,367	5,929	5,747	20,886	0	65,131		
	825-Clearings	0		0	0	0	0	-73,497	0	-73,497		
	Clr Sum	0		0	0	0	0	-73,497	0	-73,497		
Proj Net		907		3,296	28,367	5,929	5,747	-52,611	0	-8,365		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	91128316	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	11,901	0	0	0	0	0	0	0	0	0	0	0	0	11,901
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	47,500	0	0	0	0	0	0	0	0	0	0	0	0	47,500
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	1,708	0	0	0	0	0	0	0	0	0	0	0	0	1,708
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-410	0	0	0	0	0	0	0	0	0	0	0	0	-410
	426-Capitalized Interest	839	0	0	0	0	0	0	0	0	0	0	0	0	839
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	1,160	0	0	0	0	0	0	0	0	0	0	0	0	1,160
	914-Pension and Benefits Load	2,222	0	0	0	0	0	0	0	0	0	0	0	0	2,222
	915-Injuries and Damages Load	202	0	0	0	0	0	0	0	0	0	0	0	0	202
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	10	0	0	0	0	0	0	0	0	0	0	0	0	10
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	65,131	0	0	0	0	0	0	0	0	0	0	0	0	65,131
	825-Clearings	-73,497	0	0	0	0	0	0	0	0	0	0	0	0	-73,497
	Clr Sum	-73,497	0	0	0	0	0	0	0	0	0	0	0	0	-73,497
	Proj Net	-8,365	0	0	0	0	0	0	0	0	0	0	0	0	-8,365

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	91128316	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	11,901	0	0	0	0	0	0	0	0	0	0	0	0	11,901
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	47,500	0	0	0	0	0	0	0	0	0	0	0	0	47,500
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	1,708	0	0	0	0	0	0	0	0	0	0	0	0	1,708
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-410	0	0	0	0	0	0	0	0	0	0	0	0	-410
	426-Capitalized Interest	839	0	0	0	0	0	0	0	0	0	0	0	0	839
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	1,160	0	0	0	0	0	0	0	0	0	0	0	0	1,160
	914-Pension and Benefits Load	2,222	0	0	0	0	0	0	0	0	0	0	0	0	2,222
	915-Injuries and Damages Load	202	0	0	0	0	0	0	0	0	0	0	0	0	202
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	10	0	0	0	0	0	0	0	0	0	0	0	0	10
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	65,131	0	0	0	0	0	0	0	0	0	0	0	0	65,131
	825-Clearings	-73,497	0	0	0	0	0	0	0	0	0	0	0	0	-73,497
	Clr Sum	-73,497	0	0	0	0	0	0	0	0	0	0	0	0	-73,497
	Proj Net	-8,365	0	0	0	0	0	0	0	0	0	0	0	0	-8,365

Project No: 94128015 Operations Technology Support DMZ

Company: 007-PNMR Services Co
Location: 941-Corp Alloc-Gen PNMR Utility-----

Project Information

Construction Start Date 6/1/2015 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

Project Need Justification

This project involves installing DMZs (demilitarized zone or perimeter network) on NERC CIP qualifying assets. With the advent of NERC CIP V5, qualifying assets have increased requirements for cyber security capabilities. The DMZ provides a method of connecting various networks without each network accessing each other directly. A DMZ is a common component of network architectures seen across many industries as an additional layer of security. The DMZ utilizes servers, firewalls, and software that protect the various networks from viruses and other security threats, as well as hardware and software that authenticates secure traffic and rejects unauthorized connections. Software in the DMZ will also monitor assets within the operational networks and provide notifications of changes for good security practices as well as for NERC CIP compliance reporting.

Project Alternatives

Connecting unprotected networks to protected networks directly was not an option as an outside influence could then take over the protected network and steal data, or render the protected network useless. The DMZ is the only industry-wide accepted methodology for such a purpose and failure to comply with NERC CIP requirements could result in potentially large fines.

Technical Aspects

This project includes procurement and implementation of software, hardware and professional services/support. Implementation will include all phases of quality assurance testing before going into production. Tripwire was selected for the DMZ as PNM already has an installation of the base product, it meets the requirements, and proliferation of an existing software is more feasible than an unknown product - especially considering the short time period for this project. The other items for firewalls, servers and software are all industry standard for the application.

Project Estimate Approach

Project costs include internal labor, outside services/support, hardware and software. Project cost estimates were developed using quotes that were gathered from: 1) Advance Network Management for the Firewall equipment professional services and Cisco Firepower equipment and software, 2) Zones for McAfee antivirus software, and Microsoft server software, 3) Tripwire for professional service to tailor their Enterprise and IP 360 software products as well as the products themselves, 4) Dell for Dell Defender two factor authentication software, and 5) Zones for HP server hardware. Internal costs of labor were determined by the work team based on the efforts required. Internal labor will consist of oversight support from the Manager, Operations Technology

Support, and technical/administrative implementation support from two NERC Compliance administrators and one Energy Management administrator. Total project budget costs consist of 15% for internal labor and 85% for materials/outside services and support provided by Advanced Network Management, Tripwire, Zones, and Dell.

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94128015	Year	2016								
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	69,389			0	0	0	0	0	0	69,389	
120-Overtime-General	0			0	0	0	0	0	0	0	
350-Material Issues-Major	0			0	0	0	0	0	0	0	
370-Outside Services	66,641			20,000	0	0	0	0	0	86,641	
374-Outside Svcs Legal	0			0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	20,514			0	0	0	0	0	0	20,514	
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0	
530-Employee Expense	0			0	0	0	0	0	0	0	
610-Expenses - General	0			744	0	0	0	0	0	744	
805-Land and Land Rights	0			0	0	0	0	0	0	0	
807-Non Refundable Contribution	0			0	0	0	0	0	0	0	
829-Construction Adjustment	0			0	0	0	0	0	0	0	
426-Capitalized Interest	47,704			48	0	0	0	0	0	47,752	
908-Luna AR - Labor	0			0	0	0	0	0	0	0	
909-Luna AR - Other	0			0	0	0	0	0	0	0	
913-Payroll Taxes Load	7,224			0	0	0	0	0	0	7,224	
914-Pension and Benefits Load	14,029			0	0	0	0	0	0	14,029	
915-Injuries and Damages Load	1,598			0	0	0	0	0	0	1,598	
918-San Juan AR-Labor	0			0	0	0	0	0	0	0	
921-Stores / Purchasing Load	7,634			0	0	0	0	0	0	7,634	
922-Minor Material Load	0			0	0	0	0	0	0	0	
925-E and S Loads	0			0	0	0	0	0	0	0	
926-A and G Loads	0			0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0	
937-San Juan AR - Other	0			0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0	
Cost Sum	234,732			20,792	0	0	0	0	0	255,524	
825-Clearings	-1,299,424			-21,156	0	0	0	0	0	-1,320,580	
Clr Sum	-1,299,424			-21,156	0	0	0	0	0	-1,320,580	
Proj Net	-1,064,692			-363	0	0	0	0	0	-1,065,056	

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94128015	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	69,389	0	0	0	0	0	0	0	0	0	0	0	0	69,389
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	86,641	0	0	0	0	0	0	0	0	0	0	0	0	86,641
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	20,514	0	0	0	0	0	0	0	0	0	0	0	0	20,514
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	744	0	0	0	0	0	0	0	0	0	0	0	0	744
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	47,752	0	0	0	0	0	0	0	0	0	0	0	0	47,752
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	7,224	0	0	0	0	0	0	0	0	0	0	0	0	7,224
	914-Pension and Benefits Load	14,029	0	0	0	0	0	0	0	0	0	0	0	0	14,029
	915-Injuries and Damages Load	1,598	0	0	0	0	0	0	0	0	0	0	0	0	1,598
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	7,634	0	0	0	0	0	0	0	0	0	0	0	0	7,634
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	255,524	0	0	0	0	0	0	0	0	0	0	0	0	255,524
	825-Clearings	-1,320,580	0	0	0	0	0	0	0	0	0	0	0	0	-1,320,580
	Clr Sum	-1,320,580	0	0	0	0	0	0	0	0	0	0	0	0	-1,320,580
Proj Net		-1,065,056	0	0	0	0	0	0	0	0	0	0	0	0	-1,065,056

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94128015	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	69,389	0	0	0	0	0	0	0	0	0	0	0	0	69,389
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	86,641	0	0	0	0	0	0	0	0	0	0	0	0	86,641
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	20,514	0	0	0	0	0	0	0	0	0	0	0	0	20,514
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	744	0	0	0	0	0	0	0	0	0	0	0	0	744
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	47,752	0	0	0	0	0	0	0	0	0	0	0	0	47,752
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	7,224	0	0	0	0	0	0	0	0	0	0	0	0	7,224
	914-Pension and Benefits Load	14,029	0	0	0	0	0	0	0	0	0	0	0	0	14,029
	915-Injuries and Damages Load	1,598	0	0	0	0	0	0	0	0	0	0	0	0	1,598
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	7,634	0	0	0	0	0	0	0	0	0	0	0	0	7,634
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	255,524	0	0	0	0	0	0	0	0	0	0	0	0	255,524
	825-Clearings	-1,320,580	0	0	0	0	0	0	0	0	0	0	0	0	-1,320,580
	Clr Sum	-1,320,580	0	0	0	0	0	0	0	0	0	0	0	0	-1,320,580
	Proj Net	-1,065,056	0	0	0	0	0	0	0	0	0	0	0	0	-1,065,056

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Project No: 94228318 Customer Experience - Program 2018

Company: 007-PNMR Services Co
Location: 924-Corp Alloc Customer Count-----

Project Information

Construction Start Date 1/15/2018 Estimated Completion Date 12/31/2018

List Interim In-Service Dates

0

Project Need Justification

This 2018 program upgrades and enhances our customer service systems, billing products, and reporting capabilities needed to effectively support PNMR customers. Periodic upgrades and modernization of these systems and products are needed to ensure the company effectively meets its customer's service needs and expectations.

Project Alternatives

There are no other alternatives to this project. Doing nothing would continue to hinder the Company's ability to support its on-going customer needs, create possible violations of New Mexico Public Regulation Commission (NMPRC) expectations for new or revised billing capabilities, and limit PNM's ability to add new or improved systems and reporting capabilities to its Banner Customer Information System (BCIS).

Technical Aspects

Work will include all activities necessary for hardware and software procurements, development and implementation. Furthermore, implementation will include various iterations of quality assurance testing before these assets are commissioned.

Project Estimate Approach

Cost estimates have been provided by Subject Matter Experts (SMEs) from PNM's IT Customer Services Support Team. Anticipated costs and cost types are based on historical information from previous Customer Service-related IT projects.

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	94228318	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	0	0	0	0	0	0		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	0	0	0		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	0			0	0	0	0	0	0	0		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	0	0	0	0	0	0		
914-Pension and Benefits Load	0			0	0	0	0	0	0	0		
915-Injuries and Damages Load	0			0	0	0	0	0	0	0		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	0	0	0	0	0	0		
825-Clearings	0			0	0	0	0	0	0	0		
Clr Sum	0			0	0	0	0	0	0	0		
Proj Net	0			0	0	0	0	0	0	0		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	94228318	Year	2017												
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
110-Straight Time-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
370-Outside Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
426-Capitalized Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
913-Payroll Taxes Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
914-Pension and Benefits Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
915-Injuries and Damages Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Proj Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	94228318	Year	2018											
Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
110-Straight Time-General	0	1,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	34,000
120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
370-Outside Services	0	0	5,000	4,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	54,000
374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
426-Capitalized Interest	0	3	22	61	95	127	146	184	209	234	274	296	338	1,988
908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
913-Payroll Taxes Load	0	71	213	213	213	213	213	213	213	213	213	213	213	2,414
914-Pension and Benefits Load	0	192	575	575	575	575	575	575	575	575	575	575	575	6,511
915-Injuries and Damages Load	0	14	41	41	41	41	41	41	41	41	41	41	41	466
918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Sum	0	1,279	8,851	7,890	8,923	8,955	8,975	9,013	9,038	9,062	9,102	9,125	9,166	99,379
825-Clearings	0	0	0	0	0	0	0	0	0	0	0	0	-99,379	-99,379
Clr Sum	0	0	0	0	0	0	0	0	0	0	0	0	-99,379	-99,379
Proj Net	0	1,279	8,851	7,890	8,923	8,955	8,975	9,013	9,038	9,062	9,102	9,125	-90,213	0

Project No: 96828114 MS Windows Server 2003

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 1/1/2014 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

Project Need Justification

This project updates our Microsoft Windows Server 2003 operating systems to newer, supported Windows 2008 or 2012 versions. These updates are required as part of the Company's Lifecycle Management Program, which ensures it is operating on current Microsoft supported systems. Windows 2003 Server support ended in June 2015, at which time Microsoft no longer be provided updates or security patches for this retired operating system version, making the Company vulnerable to network intrusions or cyber-attacks.

Project Alternatives

Upgrade all Microsoft Server 2003 applications to MS Server 2008 or 2012, or do nothing and assume the high-probability risk that we would experience network intrusions and cyber attacks on these unsupported systems.

Technical Aspects

Evaluate MS Server 2008 and 2012 options, and procure and implement required software solutions. Implementation will include all phases of quality assurance testing before the software is placed into production.

Project Estimate Approach

This project utilizes both internal resources and outside support for project implementation and testing. Internal resources provide project management, IT management, IT development and Telecommunication support. Various outside vendors have been used to help move vendor-supported applications off the old systems to the new systems. The specific vendors were selected based on their knowledge and experience of our products and upgrade requirements. All vendors provided statements of work and cost quotes that we evaluated and used as the basis for our selections. Specific vendors we are utilizing include RightFax, Itron, Systrends, Cognizant, Infosys, and Manpower with the latter three on multi-year contracts with PNM for IT application and data center support. All required hardware was purchased through PNM's preferred hardware vendor, Zones.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828114	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	77,591			0	0	0	0	0	0	77,591		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	162,157			0	0	0	0	0	0	162,157		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	1,076			0	0	0	0	0	0	1,076		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	10,648			0	0	0	0	0	0	10,648		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	7,879			0	0	0	0	0	0	7,879		
914-Pension and Benefits Load	15,382			0	0	0	0	0	0	15,382		
915-Injuries and Damages Load	1,886			0	0	0	0	0	0	1,886		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	1,853			0	0	0	0	0	0	1,853		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	278,472			0	0	0	0	0	0	278,472		
825-Clearings	-394,228			0	0	0	0	0	-412	-394,640		
Clr Sum	-394,228			0	0	0	0	0	-412	-394,640		
Proj Net	-115,756			0	0	0	0	0	-412	-116,168		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828114	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	77,591	0	0	0	0	0	0	0	0	0	0	0	0	77,591
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	162,157	0	0	0	0	0	0	0	0	0	0	0	0	162,157
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	1,076	0	0	0	0	0	0	0	0	0	0	0	0	1,076
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	10,648	0	0	0	0	0	0	0	0	0	0	0	0	10,648
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	7,879	0	0	0	0	0	0	0	0	0	0	0	0	7,879
	914-Pension and Benefits Load	15,382	0	0	0	0	0	0	0	0	0	0	0	0	15,382
	915-Injuries and Damages Load	1,886	0	0	0	0	0	0	0	0	0	0	0	0	1,886
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	1,853	0	0	0	0	0	0	0	0	0	0	0	0	1,853
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	278,472	0	0	0	0	0	0	0	0	0	0	0	0	278,472
	825-Clearings	-394,640	0	0	0	0	0	0	0	0	0	0	0	0	-394,640
	Clr Sum	-394,640	0	0	0	0	0	0	0	0	0	0	0	0	-394,640
	Proj Net	-116,168	0	0	0	0	0	0	0	0	0	0	0	0	-116,168

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828114	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	77,591	0	0	0	0	0	0	0	0	0	0	0	0	77,591
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	162,157	0	0	0	0	0	0	0	0	0	0	0	0	162,157
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	1,076	0	0	0	0	0	0	0	0	0	0	0	0	1,076
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	10,648	0	0	0	0	0	0	0	0	0	0	0	0	10,648
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	7,879	0	0	0	0	0	0	0	0	0	0	0	0	7,879
	914-Pension and Benefits Load	15,382	0	0	0	0	0	0	0	0	0	0	0	0	15,382
	915-Injuries and Damages Load	1,886	0	0	0	0	0	0	0	0	0	0	0	0	1,886
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	1,853	0	0	0	0	0	0	0	0	0	0	0	0	1,853
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	278,472	0	0	0	0	0	0	0	0	0	0	0	0	278,472
	825-Clearings	-394,640	0	0	0	0	0	0	0	0	0	0	0	0	-394,640
	Clr Sum	-394,640	0	0	0	0	0	0	0	0	0	0	0	0	-394,640
	Proj Net	-116,168	0	0	0	0	0	0	0	0	0	0	0	0	-116,168

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828415	Year	2016									
	Cost_Type	Bal 6/30/16		Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General		10,535		0	0	0	0	0	0	10,535		
120-Overtime-General		0		0	0	0	0	0	0	0		
350-Material Issues-Major		0		0	0	0	0	0	0	0		
370-Outside Services		31,663		0	0	0	0	0	0	31,663		
374-Outside Svcs Legal		0		0	0	0	0	0	0	0		
377-Outside Services-Temp Labor		0		0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor		0		0	0	0	0	0	0	0		
530-Employee Expense		802		0	0	0	0	0	0	802		
610-Expenses - General		0		0	0	0	0	0	0	0		
805-Land and Land Rights		0		0	0	0	0	0	0	0		
807-Non Refundable Contribution		0		0	0	0	0	0	0	0		
829-Construction Adjustment		0		0	0	0	0	0	0	0		
426-Capitalized Interest		2,646		0	0	0	0	0	0	2,646		
908-Luna AR - Labor		0		0	0	0	0	0	0	0		
909-Luna AR - Other		0		0	0	0	0	0	0	0		
913-Payroll Taxes Load		1,093		0	0	0	0	0	0	1,093		
914-Pension and Benefits Load		2,124		0	0	0	0	0	0	2,124		
915-Injuries and Damages Load		245		0	0	0	0	0	0	245		
918-San Juan AR-Labor		0		0	0	0	0	0	0	0		
921-Stores / Purchasing Load		988		0	0	0	0	0	0	988		
922-Minor Material Load		0		0	0	0	0	0	0	0		
925-E and S Loads		0		0	0	0	0	0	0	0		
926-A and G Loads		0		0	0	0	0	0	0	0		
928-AFUDC Debt Reg		0		0	0	0	0	0	0	0		
929-AFUDC - Equity Regular		0		0	0	0	0	0	0	0		
937-San Juan AR - Other		0		0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V		0		0	0	0	0	0	0	0		
Cost Sum		50,094		0	0	0	0	0	0	50,094		
825-Clearings		-197,997		0	0	0	0	0	-4,610	-202,607		
Clr Sum		-197,997		0	0	0	0	0	-4,610	-202,607		
Proj Net		-147,903		0	0	0	0	0	-4,610	-152,512		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828415	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	10,535	0	0	0	0	0	0	0	0	0	0	0	0	10,535
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	31,663	0	0	0	0	0	0	0	0	0	0	0	0	31,663
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	802	0	0	0	0	0	0	0	0	0	0	0	0	802
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	2,646	0	0	0	0	0	0	0	0	0	0	0	0	2,646
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	1,093	0	0	0	0	0	0	0	0	0	0	0	0	1,093
	914-Pension and Benefits Load	2,124	0	0	0	0	0	0	0	0	0	0	0	0	2,124
	915-Injuries and Damages Load	245	0	0	0	0	0	0	0	0	0	0	0	0	245
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	988	0	0	0	0	0	0	0	0	0	0	0	0	988
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	50,094	0	0	0	0	0	0	0	0	0	0	0	0	50,094
	825-Clearings	-202,607	0	0	0	0	0	0	0	0	0	0	0	0	-202,607
	Clr Sum	-202,607	0	0	0	0	0	0	0	0	0	0	0	0	-202,607
	Proj Net	-152,512	0	0	0	0	0	0	0	0	0	0	0	0	-152,512

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828415	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	10,535	0	0	0	0	0	0	0	0	0	0	0	0	10,535
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	31,663	0	0	0	0	0	0	0	0	0	0	0	0	31,663
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	802	0	0	0	0	0	0	0	0	0	0	0	0	802
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	2,646	0	0	0	0	0	0	0	0	0	0	0	0	2,646
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	1,093	0	0	0	0	0	0	0	0	0	0	0	0	1,093
	914-Pension and Benefits Load	2,124	0	0	0	0	0	0	0	0	0	0	0	0	2,124
	915-Injuries and Damages Load	245	0	0	0	0	0	0	0	0	0	0	0	0	245
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	988	0	0	0	0	0	0	0	0	0	0	0	0	988
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	50,094	0	0	0	0	0	0	0	0	0	0	0	0	50,094
	825-Clearings	-202,607	0	0	0	0	0	0	0	0	0	0	0	0	-202,607
	Clr Sum	-202,607	0	0	0	0	0	0	0	0	0	0	0	0	-202,607
	Proj Net	-152,512	0	0	0	0	0	0	0	0	0	0	0	0	-152,512

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

<u>Construction Start Date</u>	1/15/2015	<u>Estimated Completion Date</u>	12/31/2016
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This project updates our Windows Server 2003 operating systems to newer, supported Windows 2008 or 2012 versions. These updates are required as part of our Lifecycle Management Program, which ensures we are operating on current Microsoft supported systems. Windows 2003 Server support ended in June 2015, and Microsoft is no longer providing updates or security patches for this retired operating system version, which makes the company vulnerable to network intrusions or cyber attacks.

None. Transitioning to Microsoft Server 2008 or 2012 operating system upgrades will ensure Microsoft is supporting PNMR's systems, and that the company receives the proper security patches needed to keep these systems secure.

Upgrade all Microsoft Server 2003 systems to Windows 2008 or 2012 platforms (which are currently supported). Implementation will include all phases of Quality Assurance testing before being placed in production.

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828416	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	0			0	5,000	5,000	5,000	5,000	10,000	30,000		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	20,000	0	0	0	0	20,000		
370-Outside Services	0			0	5,000	5,000	10,000	10,000	5,000	35,000		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	4,011	81	4,092		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-219	-212	-219	-649		
426-Capitalized Interest	0			0	72	158	219	288	378	1,116		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	0			0	484	484	484	484	967	2,901		
914-Pension and Benefits Load	0			0	926	926	926	926	1,852	5,556		
915-Injuries and Damages Load	0			0	84	84	84	84	168	504		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	724	0	0	0	0	724		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	0			0	32,290	11,651	16,494	20,580	18,228	99,243		
825-Clearings	0			0	0	0	0	0	-99,243	-99,243		
Clr Sum	0			0	0	0	0	0	-99,243	-99,243		
Proj Net	0			0	32,290	11,651	16,494	20,580	-81,016	0		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828416	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	30,000	0	0	0	0	0	0	0	0	0	0	0	0	30,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	20,000	0	0	0	0	0	0	0	0	0	0	0	0	20,000
	370-Outside Services	35,000	0	0	0	0	0	0	0	0	0	0	0	0	35,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	4,092	0	0	0	0	0	0	0	0	0	0	0	0	4,092
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-649	0	0	0	0	0	0	0	0	0	0	0	0	-649
	426-Capitalized Interest	1,116	0	0	0	0	0	0	0	0	0	0	0	0	1,116
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	2,901	0	0	0	0	0	0	0	0	0	0	0	0	2,901
	914-Pension and Benefits Load	5,556	0	0	0	0	0	0	0	0	0	0	0	0	5,556
	915-Injuries and Damages Load	504	0	0	0	0	0	0	0	0	0	0	0	0	504
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	724	0	0	0	0	0	0	0	0	0	0	0	0	724
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	99,243	0	0	0	0	0	0	0	0	0	0	0	0	99,243
	825-Clearings	-99,243	0	0	0	0	0	0	0	0	0	0	0	0	-99,243
	Clr Sum	-99,243	0	0	0	0	0	0	0	0	0	0	0	0	-99,243
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828416	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	30,000	0	0	0	0	0	0	0	0	0	0	0	0	30,000
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	20,000	0	0	0	0	0	0	0	0	0	0	0	0	20,000
	370-Outside Services	35,000	0	0	0	0	0	0	0	0	0	0	0	0	35,000
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	4,092	0	0	0	0	0	0	0	0	0	0	0	0	4,092
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-649	0	0	0	0	0	0	0	0	0	0	0	0	-649
	426-Capitalized Interest	1,116	0	0	0	0	0	0	0	0	0	0	0	0	1,116
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	2,901	0	0	0	0	0	0	0	0	0	0	0	0	2,901
	914-Pension and Benefits Load	5,556	0	0	0	0	0	0	0	0	0	0	0	0	5,556
	915-Injuries and Damages Load	504	0	0	0	0	0	0	0	0	0	0	0	0	504
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	724	0	0	0	0	0	0	0	0	0	0	0	0	724
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	99,243	0	0	0	0	0	0	0	0	0	0	0	0	99,243
	825-Clearings	-99,243	0	0	0	0	0	0	0	0	0	0	0	0	-99,243
	Clr Sum	-99,243	0	0	0	0	0	0	0	0	0	0	0	0	-99,243
Proj Net		0	0	0	0	0	0	0	0	0	0	0	0	0	0

Project No: 96828614 Enterprise Data Storage Refresh (EDSR)

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 11/7/2014 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

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Project Need Justification

The Enterprise Data Storage Refresh project replaces current older, leased top-tier, high performance storage hardware and software with state-of-the-art purchased equipment. Although PNMR has used EMC VMAX solutions for a number of years, due diligence performed by the project team determined that a competing platform, NetApp's CDOT Systems, is available at a significantly lower cost while meeting all minimum performance requirements and providing significant improvements in some key areas. Purchasing this equipment allows PNMR to exit its current, relatively expensive lease arrangement with EMC. A key deliverable for the project is creation of a compatible, isolated, and safe storage test environment, a critical need that is missing in PNMR's current infrastructure platform. When combined with the DR Relocation Project (aimed at reducing remote disaster recovery facilities hosting costs), selection of NetApp CDOT equipment and software provides a seamless, fully automated platform, minimizing risks and time required to switch primary computing capabilities to a remote location in the event of a major incapacitation of the Albuquerque data center. Finally, the project also replaces and upgrades a key component in PMNR's storage infrastructure, its aging high performance network components known as core SAN (Storage Area Network) switches.

Project Alternatives

Storage systems are among the most expensive items in PNMR's computing environment and therefore require very careful consideration of options and providers. The project team investigated two principal questions in forming its decisions: • Lease vs. purchase • Vendor suitability Although previous lease terms allowed PNM to acquire required top-tier equipment for somewhat less than purchase costs, over the long run, leasing is a more expensive option because it cannot be amortized or otherwise leveraged and leased equipment typically has to be replaced sooner. In an effort to minimize risks associated with a major storage platform change, the project team requested and thoroughly reviewed RFPs from two leading vendors with whom we have current relationships: EMC and NetApp. Although EMC had a nominal advantage in that it is our current top-tier storage vendor, NetApp currently provides our next-tier storage and our support teams are equally familiar with and confident in their capabilities and support. A number of factors ultimately led the team to choose NetApp as PNMR's new provider for top-tier storage systems:1. Although performance characteristics were substantially similar between the two companies and both offered solutions that met the requirements, NetApp's final bid was significantly less expensive than that submitted by EMC2. NetApp and its local reseller partner, cStor, provided the PNMR team with more specific answers to its questions and were more responsive to the project team's requirements and questions than the other vendor3. NetApp offers a greater degree of integration and desirable features in its associated monitoring, administrative, and

management software tools⁴. PNMR has had greater confidence in NetApp's local support reseller than it does with EMC's local team (EMC's local team did not appear to have as much experience with the equipment under consideration) The core SAN switch equipment, also refreshed as part of this project, is a key component in the high-performance storage architecture. Currently, Brocade is recognized as the most reliable, high performing manufacturer. Core SAN switches are essentially a commodity and were procured as such through accepted resellers.

Technical Aspects

The project entails procurement and implementation of hardware, software, and professional services. Implementation includes extensive planning, configuration, and testing of all hardware and software customizations as well testing of each of the dozens of application systems as they are migrated from the current VMAX to the new CDOT storage equipment. The project team has been working closely with all the application systems teams as well as a critical major application upgrade project team (Banner) and the DR Relocation project team.

Project Estimate Approach

The project costs include internal labor, outside services/support, hardware, and software. Project cost estimates were developed using vendor quotes for relevant equipment and support from key, known vendors EMC and NetApp, through their respective resellers, ANM and cStor. Additional required labor quotes for anticipated work were provided by key infrastructure support provider, Infosys, which is currently on a multi-year contract to provide PNMR with infrastructure/data center support. Internal labor cost forecasting was completed by the project team based on the expected level of effort to complete the necessary work. Internal labor costs are for Project Management and PNMR Infrastructure team members and constitute 3% of the overall project budget. The remaining 97% of project costs relate to material/outside services and support provided by cStor, NetApp, and Infosys for implementation support.

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96828614	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	49,631			0	0	0	0	0	0	49,631		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	739,520			0	0	0	0	0	0	739,520		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	1,725			0	0	0	0	0	0	1,725		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	31,930			0	0	0	0	0	0	31,930		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	5,030			0	0	0	0	0	0	5,030		
914-Pension and Benefits Load	9,917			0	0	0	0	0	0	9,917		
915-Injuries and Damages Load	1,174			0	0	0	0	0	0	1,174		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	14,079			0	0	0	0	0	0	14,079		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	853,006			0	0	0	0	0	0	853,006		
825-Clearings	-2,230,480			0	0	0	0	0	-103	-2,230,583		
Clr Sum	-2,230,480			0	0	0	0	0	-103	-2,230,583		
Proj Net	-1,377,474			0	0	0	0	0	-103	-1,377,576		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96828614	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	49,631	0	0	0	0	0	0	0	0	0	0	0	0	49,631
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	739,520	0	0	0	0	0	0	0	0	0	0	0	0	739,520
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	1,725	0	0	0	0	0	0	0	0	0	0	0	0	1,725
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	31,930	0	0	0	0	0	0	0	0	0	0	0	0	31,930
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	5,030	0	0	0	0	0	0	0	0	0	0	0	0	5,030
	914-Pension and Benefits Load	9,917	0	0	0	0	0	0	0	0	0	0	0	0	9,917
	915-Injuries and Damages Load	1,174	0	0	0	0	0	0	0	0	0	0	0	0	1,174
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	14,079	0	0	0	0	0	0	0	0	0	0	0	0	14,079
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	853,006	0	0	0	0	0	0	0	0	0	0	0	0	853,006
	825-Clearings	-2,230,583	0	0	0	0	0	0	0	0	0	0	0	0	-2,230,583
	Clr Sum	-2,230,583	0	0	0	0	0	0	0	0	0	0	0	0	-2,230,583
	Proj Net	-1,377,576	0	0	0	0	0	0	0	0	0	0	0	0	-1,377,576

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96828614	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	49,631	0	0	0	0	0	0	0	0	0	0	0	0	49,631
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	739,520	0	0	0	0	0	0	0	0	0	0	0	0	739,520
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	1,725	0	0	0	0	0	0	0	0	0	0	0	0	1,725
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	31,930	0	0	0	0	0	0	0	0	0	0	0	0	31,930
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	5,030	0	0	0	0	0	0	0	0	0	0	0	0	5,030
	914-Pension and Benefits Load	9,917	0	0	0	0	0	0	0	0	0	0	0	0	9,917
	915-Injuries and Damages Load	1,174	0	0	0	0	0	0	0	0	0	0	0	0	1,174
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	14,079	0	0	0	0	0	0	0	0	0	0	0	0	14,079
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	853,006	0	0	0	0	0	0	0	0	0	0	0	0	853,006
	825-Clearings	-2,230,583	0	0	0	0	0	0	0	0	0	0	0	0	-2,230,583
	Clr Sum	-2,230,583	0	0	0	0	0	0	0	0	0	0	0	0	-2,230,583
	Proj Net	-1,377,576	0	0	0	0	0	0	0	0	0	0	0	0	-1,377,576

Project No: 96829116 Enterprise BI Upgrade - Cognos

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 2/1/2015 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

0

Project Need Justification

This project upgrades the Java and Crystal Report systems residing on PNMR's Microsoft server operating systems. Upgrades of these systems are necessary based on the fact that the current versions are compatible with Microsoft Server 2003 operating systems only, which will be at end of life and were no longer supported by Microsoft effective June 2015. This project involves moving to newer versions of Java and Crystal Reports that are compatible with Microsoft Server 2008 and 2012, which PNMR will be transitioning to in the near future.

Project Alternatives

None. Current versions of Java and Crystal Report will not work with Microsoft Servers 2003 which are no longer supported by Microsoft. The only viable option is to upgrade these programs to versions that are compatible with Microsoft 2008 or 2012 versions.

Technical Aspects

Procure and implement Java and Crystal Reports software. Implementation will include all phases of quality assurance testing before the systems go into production.

Project Estimate Approach

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96829116	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	230			500	5,000	5,000	5,000	7,500	7,500	30,730		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	0			0	0	0	0	2,500	5,000	7,500		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	0			0	0	0	0	0	0	0		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	1,779	1,779		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	-161	-156	-161	-479		
426-Capitalized Interest	51			97	114	132	162	195	262	1,012		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	26			48	484	484	484	725	725	2,975		
914-Pension and Benefits Load	49			93	926	926	926	1,389	1,389	5,698		
915-Injuries and Damages Load	4			8	84	84	84	126	126	517		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	0			0	0	0	0	0	0	0		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	361			747	6,607	6,626	6,494	12,279	16,620	49,732		
825-Clearings	0			0	0	0	0	0	-70,635	-70,635		
Clr Sum	0			0	0	0	0	0	-70,635	-70,635		
Proj Net	361			747	6,607	6,626	6,494	12,279	-54,015	-20,902		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96829116	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	30,730	0	0	0	0	0	0	0	0	0	0	0	0	30,730
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	7,500	0	0	0	0	0	0	0	0	0	0	0	0	7,500
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	1,779	0	0	0	0	0	0	0	0	0	0	0	0	1,779
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-479	0	0	0	0	0	0	0	0	0	0	0	0	-479
	426-Capitalized Interest	1,012	0	0	0	0	0	0	0	0	0	0	0	0	1,012
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	2,975	0	0	0	0	0	0	0	0	0	0	0	0	2,975
	914-Pension and Benefits Load	5,698	0	0	0	0	0	0	0	0	0	0	0	0	5,698
	915-Injuries and Damages Load	517	0	0	0	0	0	0	0	0	0	0	0	0	517
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	49,732	0	0	0	0	0	0	0	0	0	0	0	0	49,732
	825-Clearings	-70,635	0	0	0	0	0	0	0	0	0	0	0	0	-70,635
	Clr Sum	-70,635	0	0	0	0	0	0	0	0	0	0	0	0	-70,635
	Proj Net	-20,902	0	0	0	0	0	0	0	0	0	0	0	0	-20,902

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96829116	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	30,730	0	0	0	0	0	0	0	0	0	0	0	0	30,730
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	7,500	0	0	0	0	0	0	0	0	0	0	0	0	7,500
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	1,779	0	0	0	0	0	0	0	0	0	0	0	0	1,779
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	-479	0	0	0	0	0	0	0	0	0	0	0	0	-479
	426-Capitalized Interest	1,012	0	0	0	0	0	0	0	0	0	0	0	0	1,012
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	2,975	0	0	0	0	0	0	0	0	0	0	0	0	2,975
	914-Pension and Benefits Load	5,698	0	0	0	0	0	0	0	0	0	0	0	0	5,698
915-Injuries and Damages Load		517	0	0	0	0	0	0	0	0	0	0	0	0	517
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
921-Stores / Purchasing Load		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
929-AFUDC - Equity Regular		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	49,732	0	0	0	0	0	0	0	0	0	0	0	0	49,732
	825-Clearings	-70,635	0	0	0	0	0	0	0	0	0	0	0	0	-70,635
	Clr Sum	-70,635	0	0	0	0	0	0	0	0	0	0	0	0	-70,635
	Proj Net	-20,902	0	0	0	0	0	0	0	0	0	0	0	0	-20,902

Project No: 96832114 MS Windows 2003 Upgrade

Company: 007-PNMR Services Co
Location: 968-Corp Alloc-IT Infrastructure-----

Project Information

Construction Start Date 1/1/2014 Estimated Completion Date 12/31/2016

List Interim In-Service Dates

Project Need Justification

This project updates our Microsoft Windows Server 2003 operating systems to newer, supported Windows 2008 or 2012 versions. These updates are required as part of the Company's Lifecycle Management Program, which ensures it is operating on current Microsoft supported systems. Windows 2003 Server support ended in June 2015, at which time Microsoft no longer be provided updates or security patches for this retired operating system version, making the Company vulnerable to network intrusions or cyber-attacks.

Project Alternatives

Upgrade all Microsoft Server 2003 applications to MS Server 2008 or 2012, or do nothing and assume the high-probability risk that we would experience network intrusions and cyber attacks on these unsupported systems.

Technical Aspects

Evaluate MS Server 2008 and 2012 options, and procure and implement required software solutions. Implementation will include all phases of quality assurance testing before the software is placed into production. This project utilizes both internal resources and outside support for project implementation and testing. Internal resources provide project management, IT management, IT development and Telecommunication support. Various outside vendors have been used to help move vendor-supported applications off the old systems to the new systems. The specific vendors were selected based on their knowledge and experience of our products and upgrade requirements. All vendors provided statements of work and cost quotes that we evaluated and used as the basis for our selections. Specific vendors we are utilizing include RightFax, Itron, Systrends, Cognizant, Infosys, and Manpower with the latter three on multi-year contracts with PNM for IT application and data center support. All required hardware was purchased through PNM's preferred hardware vendor, Zones.

Project Estimate Approach

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96832114	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	94,618			0	0	0	0	0	0	94,618		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	93,215			0	0	0	0	0	0	93,215		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	27,525			0	0	0	0	0	0	27,525		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	4,451			0	0	0	0	0	0	4,451		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	9,668			0	0	0	0	0	0	9,668		
914-Pension and Benefits Load	21,327			0	0	0	0	0	0	21,327		
915-Injuries and Damages Load	1,299			0	0	0	0	0	0	1,299		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	1,247			0	0	0	0	0	0	1,247		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	253,350			0	0	0	0	0	0	253,350		
825-Clearings	-353,169			0	0	0	0	0	-2,774	-355,943		
Cir Sum	-353,169			0	0	0	0	0	-2,774	-355,943		
Proj Net	-99,819			0	0	0	0	0	-2,774	-102,592		

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96832114	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	94,618	0	0	0	0	0	0	0	0	0	0	0	0	94,618
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	93,215	0	0	0	0	0	0	0	0	0	0	0	0	93,215
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	27,525	0	0	0	0	0	0	0	0	0	0	0	0	27,525
391-Jt Proj Bills to PNM-Non-Labor		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	4,451	0	0	0	0	0	0	0	0	0	0	0	0	4,451
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	9,668	0	0	0	0	0	0	0	0	0	0	0	0	9,668
	914-Pension and Benefits Load	21,327	0	0	0	0	0	0	0	0	0	0	0	0	21,327
	915-Injuries and Damages Load	1,299	0	0	0	0	0	0	0	0	0	0	0	0	1,299
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	1,247	0	0	0	0	0	0	0	0	0	0	0	0	1,247
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	253,350	0	0	0	0	0	0	0	0	0	0	0	0	253,350
	825-Clearings	-355,943	0	0	0	0	0	0	0	0	0	0	0	0	-355,943
	Clr Sum	-355,943	0	0	0	0	0	0	0	0	0	0	0	0	-355,943
Proj Net		-102,592	0	0	0	0	0	0	0	0	0	0	0	0	-102,592

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96832114	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	94,618	0	0	0	0	0	0	0	0	0	0	0	0	94,618
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	93,215	0	0	0	0	0	0	0	0	0	0	0	0	93,215
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	27,525	0	0	0	0	0	0	0	0	0	0	0	0	27,525
391-Jt Proj Bills to PNM-Non-Labor	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
807-Non Refundable Contribution	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	4,451	0	0	0	0	0	0	0	0	0	0	0	0	4,451
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	9,668	0	0	0	0	0	0	0	0	0	0	0	0	9,668
	914-Pension and Benefits Load	21,327	0	0	0	0	0	0	0	0	0	0	0	0	21,327
	915-Injuries and Damages Load	1,299	0	0	0	0	0	0	0	0	0	0	0	0	1,299
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	1,247	0	0	0	0	0	0	0	0	0	0	0	0	1,247
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNM D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	253,350	0	0	0	0	0	0	0	0	0	0	0	0	253,350
	825-Clearings	-355,943	0	0	0	0	0	0	0	0	0	0	0	0	-355,943
	Clr Sum	-355,943	0	0	0	0	0	0	0	0	0	0	0	0	-355,943
Proj Net		-102,592	0	0	0	0	0	0	0	0	0	0	0	0	-102,592

Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 01

Project	96832115	Year	2016									
Cost_Type	Bal 6/30/16			Jul	Aug	Sep	Oct	Nov	Dec	Total		
110-Straight Time-General	9,786			0	0	0	0	0	0	9,786		
120-Overtime-General	0			0	0	0	0	0	0	0		
350-Material Issues-Major	0			0	0	0	0	0	0	0		
370-Outside Services	6,746			0	0	0	0	0	0	6,746		
374-Outside Svcs Legal	0			0	0	0	0	0	0	0		
377-Outside Services-Temp Labor	4,480			0	0	0	0	0	0	4,480		
391-Jt Proj Bills to PNM-Non-Labor	0			0	0	0	0	0	0	0		
530-Employee Expense	0			0	0	0	0	0	0	0		
610-Expenses - General	0			0	0	0	0	0	0	0		
805-Land and Land Rights	0			0	0	0	0	0	0	0		
807-Non Refundable Contribution	0			0	0	0	0	0	0	0		
829-Construction Adjustment	0			0	0	0	0	0	0	0		
426-Capitalized Interest	212			0	0	0	0	0	0	212		
908-Luna AR - Labor	0			0	0	0	0	0	0	0		
909-Luna AR - Other	0			0	0	0	0	0	0	0		
913-Payroll Taxes Load	991			0	0	0	0	0	0	991		
914-Pension and Benefits Load	1,936			0	0	0	0	0	0	1,936		
915-Injuries and Damages Load	239			0	0	0	0	0	0	239		
918-San Juan AR-Labor	0			0	0	0	0	0	0	0		
921-Stores / Purchasing Load	74			0	0	0	0	0	0	74		
922-Minor Material Load	0			0	0	0	0	0	0	0		
925-E and S Loads	0			0	0	0	0	0	0	0		
926-A and G Loads	0			0	0	0	0	0	0	0		
928-AFUDC Debt Reg	0			0	0	0	0	0	0	0		
929-AFUDC - Equity Regular	0			0	0	0	0	0	0	0		
937-San Juan AR - Other	0			0	0	0	0	0	0	0		
961-Luna A&G PNMR D&V	0			0	0	0	0	0	0	0		
Cost Sum	24,465			0	0	0	0	0	0	24,465		
825-Clearings	-47,441			0	0	0	0	0	-2,012	-49,453		
Clr Sum	-47,441			0	0	0	0	0	-2,012	-49,453		
Proj Net	-22,975			0	0	0	0	0	-2,012	-24,988		

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 02

Project	96832115	Year	2017												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	9,786	0	0	0	0	0	0	0	0	0	0	0	0	9,786
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	6,746	0	0	0	0	0	0	0	0	0	0	0	0	6,746
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	4,480	0	0	0	0	0	0	0	0	0	0	0	0	4,480
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	212	0	0	0	0	0	0	0	0	0	0	0	0	212
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	991	0	0	0	0	0	0	0	0	0	0	0	0	991
	914-Pension and Benefits Load	1,936	0	0	0	0	0	0	0	0	0	0	0	0	1,936
	915-Injuries and Damages Load	239	0	0	0	0	0	0	0	0	0	0	0	0	239
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	74	0	0	0	0	0	0	0	0	0	0	0	0	74
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	24,465	0	0	0	0	0	0	0	0	0	0	0	0	24,465
	825-Clearings	-49,453	0	0	0	0	0	0	0	0	0	0	0	0	-49,453
	Clr Sum	-49,453	0	0	0	0	0	0	0	0	0	0	0	0	-49,453
	Proj Net	-24,988	0	0	0	0	0	0	0	0	0	0	0	0	-24,988

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Projects with clearings from July 2016 through 2018, Budget data for July 2016 - 2018

Cost Year 03

Project	96832115	Year	2018												
	Cost_Type	BegBal	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	110-Straight Time-General	9,786	0	0	0	0	0	0	0	0	0	0	0	0	9,786
	120-Overtime-General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	350-Material Issues-Major	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	370-Outside Services	6,746	0	0	0	0	0	0	0	0	0	0	0	0	6,746
	374-Outside Svcs Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	377-Outside Services-Temp Labor	4,480	0	0	0	0	0	0	0	0	0	0	0	0	4,480
	391-Jt Proj Bills to PNM-Non-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	530-Employee Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	610-Expenses - General	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	805-Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	807-Non Refundable Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	829-Construction Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	426-Capitalized Interest	212	0	0	0	0	0	0	0	0	0	0	0	0	212
	908-Luna AR - Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	909-Luna AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	913-Payroll Taxes Load	991	0	0	0	0	0	0	0	0	0	0	0	0	991
	914-Pension and Benefits Load	1,936	0	0	0	0	0	0	0	0	0	0	0	0	1,936
	915-Injuries and Damages Load	239	0	0	0	0	0	0	0	0	0	0	0	0	239
	918-San Juan AR-Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	921-Stores / Purchasing Load	74	0	0	0	0	0	0	0	0	0	0	0	0	74
	922-Minor Material Load	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	925-E and S Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	926-A and G Loads	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	928-AFUDC Debt Reg	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	929-AFUDC - Equity Regular	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	937-San Juan AR - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	961-Luna A&G PNMR D&V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Cost Sum	24,465	0	0	0	0	0	0	0	0	0	0	0	0	24,465
	825-Clearings	-49,453	0	0	0	0	0	0	0	0	0	0	0	0	-49,453
	Clr Sum	-49,453	0	0	0	0	0	0	0	0	0	0	0	0	-49,453
	Proj Net	-24,988	0	0	0	0	0	0	0	0	0	0	0	0	-24,988

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BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION)
OF PUBLIC SERVICE COMPANY OF NEW)
MEXICO FOR REVISION OF ITS RETAIL)
ELECTRIC RATES PURSUANT TO ADVICE)
NOTICE NO. 533)

Case No. 16-00276-UT

)
)
PUBLIC SERVICE COMPANY OF NEW)
MEXICO,)

Applicant)
_____)

AFFIDAVIT

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

SHEILA M. MENDEZ, Director of Information Technology (IT)

Program/Portfolio management & Quality for PNMR Services Company, upon
being duly sworn according to law, under oath, deposes and states: I have read the
foregoing **Direct Testimony of Sheila M. Mendez** and it is true and accurate based on
my own personal knowledge and belief.

SIGNED this 9th day of November, 2016.


SHEILA M. MENDEZ

SUBSCRIBED AND SWORN to before me this 9th day of November, 2016.


NOTARY PUBLIC IN AND FOR
THE STATE OF NEW MEXICO

My Commission Expires:

February 25, 2018

