

Balance sheet, income statement, statement of changes in financial position.

# PNM 530 Schedules I Series

Schedule I-1: Balance sheet.

Schedule I-2: Income statement.

Schedule I-3: Statement of changes in financial position.

# PNM Schedule I-1

Balance sheet.

Public Service Company of New Mexico  
Schedule I-1  
Consolidated Condensed Balance Sheet  
Base Period Ending 6/30/2014  
Test Period Ending 12/31/2016

Line No.	Description	A	B	C	D	E	F	G	H	I
		Books & Records 6/30/2014	Remove Non-COS Items	Unadjusted Base Period 6/30/2014 (1)	Base Period Adjustments (1)	Adjusted Base Period (2)	PNM Retail Jurisdiction Adjusted Base (2)	Adjusted Linkage Ending 12/31/2015	Test Period Ending	Remove Non-COS Items; COS Adjustments
<b>ASSETS</b>										
Current Assets:										
1	Cash and cash equivalents	9,356,122	(9,356,122)	-	-	-	-	-	1,000,000	(1,000,000)
2	Accounts receivable, net of allowance for uncollectible	68,254,437	(68,254,437)	-	-	-	-	-	50,225,310	(50,225,310)
3	Unbilled revenues	63,069,091	(63,069,091)	-	-	-	-	-	53,479,366	(53,479,366)
4	Other receivables	39,353,765	(39,353,765)	-	-	-	-	-	17,434,397	(17,434,397)
5	Affiliate accounts receivable	11,269,226	(11,269,226)	-	-	-	-	-	11,269,226	(11,269,226)
6	Materials, supplies and fuel stock	58,072,832	(826,048)	57,246,784	891,962	58,138,746	48,981,794	60,972,687	74,571,946	(167,200)
7	Regulatory assets	40,088,861	(40,088,861)	-	-	-	-	-	(4,994,988)	4,994,988
8	Commodity derivative instruments	4,081,878	(4,081,878)	-	-	-	-	-	4,081,878	(4,081,878)
9	Income taxes receivable	6,341,791	(6,341,791)	-	-	-	-	-	6,341,791	(6,341,791)
10	Current portion of accumulated deferred income taxes	43,826,474	-	43,826,474	-	43,826,474	-	43,826,474	43,826,474	-
11	Other current assets	49,384,604	(5,004,947)	44,379,657	(11,340,409)	33,039,248	26,390,225	54,762,466	60,475,829	(6,169,231)
12	<b>Total Current Assets</b>	<b>393,099,081</b>	<b>(247,646,166)</b>	<b>145,452,915</b>	<b>(10,448,447)</b>	<b>135,004,468</b>	<b>75,372,019</b>	<b>159,561,626</b>	<b>317,711,231</b>	<b>(145,173,412)</b>
Other Property and Investments:										
13	Investment in PVNGS lessor notes	17,518,981	(17,518,981)	-	-	-	-	-	1	(1)
14	Available-for-sale securities	236,426,983	(236,426,983)	-	-	-	-	-	274,368,829	(274,368,829)
15	Other investments	432,093	(432,093)	-	-	-	-	-	4,982,250	(4,982,250)
16	Non-utility property	976,111	(976,111)	-	-	-	-	-	976,111	(976,111)
17	<b>Total Other property and Investments</b>	<b>255,354,168</b>	<b>(255,354,168)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>280,327,191</b>	<b>(280,327,191)</b>
Utility Plant:										
18	Utility Plant	4,375,493,413	(92,166,066)	4,283,327,347	43,859,358	4,327,186,705	-	4,752,707,949	5,019,442,625	335,162,253
19	Less accumulated depreciation and amortization	1,426,934,920	255,576,664	1,682,511,584	47,743,361	1,730,254,945	-	1,860,322,888	1,541,851,963	522,325,409
20	<b>Subtotal</b>	<b>2,948,558,493</b>	<b>(347,742,730)</b>	<b>2,600,815,763</b>	<b>(3,884,003)</b>	<b>2,596,931,760</b>	<b>2,096,124,277</b>	<b>2,892,385,061</b>	<b>3,477,590,662</b>	<b>(187,163,156)</b>
21	Construction work in progress	114,600,891	-	114,600,891	(114,600,891)	-	-	-	140,658,203	(140,658,203)
22	Nuclear fuel, net of accumulated depreciation	78,215,618	-	78,215,618	1,044,062	79,259,680	49,990,634	84,461,152	89,142,855	(4,146,099)
23	<b>Net Utility Plant</b>	<b>3,141,375,002</b>	<b>(347,742,730)</b>	<b>2,793,632,272</b>	<b>(117,440,832)</b>	<b>2,676,191,440</b>	<b>2,146,114,911</b>	<b>2,976,846,213</b>	<b>3,707,391,720</b>	<b>(331,967,458)</b>
Deferred Charges and Other Assets										
24	Regulatory assets	365,239,053	(156,263,562)	208,975,491	(12,208,166)	196,767,325	176,669,187	197,285,686	425,337,210	(234,463,963)
25	Pension Asset	-	-	-	-	-	-	-	-	-
26	Derivative Instruments	1,514,632	(1,514,632)	-	-	-	-	-	1,514,632	(1,514,632)
27	Goodwill	51,632,295	(51,632,295)	-	-	-	-	-	51,632,295	(51,632,295)
28	Other deferred charges	82,315,235	(27,582,858)	54,732,377	1,429,585	56,161,962	33,466,762	63,689,997	101,085,681	(33,560,499)
29	<b>Total Deferred charges and Other assets</b>	<b>500,701,215</b>	<b>(236,993,347)</b>	<b>263,707,868</b>	<b>(10,778,580)</b>	<b>252,929,288</b>	<b>210,135,949</b>	<b>260,975,683</b>	<b>579,569,818</b>	<b>(321,171,389)</b>
30	<b>Total Assets</b>	<b>4,290,529,466</b>	<b>(1,087,736,411)</b>	<b>3,202,793,055</b>	<b>(138,667,859)</b>	<b>3,064,125,196</b>	<b>2,431,622,879</b>	<b>3,397,383,522</b>	<b>4,884,999,959</b>	<b>(1,078,639,450)</b>

Notes:

- (1) Refer to PNM Exhibit HEM-2, WP COS Base Adj for detail
- (2) Refer to PNM Exhibit HEM-2, WP COS Base Alloc for detail
- (3) Refer to PNM Exhibit HEM-2, WP COS Test for detail

Public Service Company of New Mexico  
Schedule I-1  
Consolidated Condensed Balance Sheet  
Base Period Ending 6/30/2014  
Test Period Ending 12/31/2016

Line No.	Description	A	B	C	D	E	F	G	H	I
		Books & Records 6/30/2014	Remove Non-COS Items	Unadjusted Base Period 6/30/2014 (1)	Base Period Adjustments (1)	Adjusted Base Period (2)	PNM Retail Jurisdiction Adjusted Base (2)	Adjusted Linkage Ending 12/31/2015	Test Period Ending	Remove Non-COS Items; COS Adjustments
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>										
Current Liabilities:										
1	Short-term debt	-	-	-	-	-	-	-	208,955,050	(208,955,050)
2	Current installment of long-term debt	39,300,000	(39,300,000)	-	-	-	-	-	57,000,000	(57,000,000)
3	Accounts payable	63,500,964	(63,500,964)	-	-	-	-	-	98,894,676	(98,894,676)
4	Affiliate accounts payable	23,053,368	(23,053,368)	-	-	-	-	-	-	-
5	Customer deposits	12,913,972	-	12,913,972	755,644	13,669,616	13,669,616	13,669,616	12,913,972	755,644
6	Accrued interest and taxes	29,206,884	(29,206,884)	-	-	-	-	-	35,132,443	(35,132,443)
7	Regulatory liabilities	473,419	(473,419)	-	-	-	-	-	473,419	(473,419)
8	Derivative instruments	5,072,849	(5,072,849)	-	-	-	-	-	5,072,849	(5,072,849)
9	Dividends declared	132,010	(132,010)	-	-	-	-	-	132,010	(132,010)
10	Other current liabilities	52,650,270	(52,650,270)	-	-	-	-	-	18,501,304	(18,501,304)
11	Total current liabilities	226,303,736	(213,389,764)	12,913,972	755,644	13,669,616	13,669,616	13,669,616	437,075,723	(423,406,107)
12	Long-term Debt	1,351,337,126	(1,351,337,126)	-	-	-	-	-	1,383,637,126	(1,383,637,126)
13	Deferred Credits and Other Liabilities									
14	Accumulated deferred income taxes	689,189,567	(37,680,294)	651,509,273	15,637,243	667,146,516	507,293,118	765,484,034	887,213,047	(40,832,740)
15	Accumulated deferred income tax credits	24,772,620	(24,772,620)	-	-	-	-	-	-	-
16	Regulatory liabilities	418,177,807	(390,783,169)	27,394,638	927,024	28,321,662	2,310,940	31,065,110	420,985,363	(390,915,283)
17	Asset retirement obligations	99,151,741	-	99,151,741	(85,438,818)	13,712,923	12,893,130	15,811,959	117,937,764	(101,577,028)
18	Accrued pension liability and postretirement benefit cost	69,624,085	(62,938,728)	6,685,357	290,006	6,975,363	6,046,776	6,773,245	38,863,517	(32,502,964)
19	Commodity derivative instruments	915,056	(915,056)	-	-	-	-	-	915,056	(915,056)
20	Other deferred credits	83,056,570	(42,561,606)	40,494,964	(10,143,879)	30,351,085	9,447,190	26,382,675	81,456,013	(57,524,404)
21	Total deferred credits and liabilities	1,384,887,446	(559,651,473)	825,235,973	(78,728,423)	746,507,550	537,991,155	845,517,024	1,547,370,759	(624,267,474)
22	Total Liabilities	2,962,528,308	(2,124,378,363)	838,149,945	(77,972,779)	760,177,166	551,660,771	859,186,639	3,368,083,608	(2,431,310,707)
23	Cumulative Preferred Stock	11,529,299	(11,529,299)	-	-	-	-	-	11,529,299	(11,529,299)
24	Common Stockholder's Equity:									
25	Common stock outstanding	1,061,776,215	(1,061,776,215)	-	-	-	-	-	1,231,603,185	(1,231,603,185)
26	Accumulated other comprehensive income, net of income tax	(55,639,665)	55,639,665	-	-	-	-	-	(55,639,665)	55,639,665
27	Retained earnings	234,055,975	(234,055,975)	-	-	-	-	-	253,144,199	(253,144,199)
28	Total common stockholder's equity	1,240,192,525	(1,240,192,525)	-	-	-	-	-	1,429,107,718	(1,429,107,718)
29	Non-controlling interest in Valencia	76,279,334	(76,279,334)	-	-	-	-	-	76,279,334	(76,279,334)
30	Total Equity	1,316,471,859	(1,316,471,859)	-	-	-	-	-	1,505,387,052	(1,505,387,052)
31	Total Capitalization and Liabilities	4,290,529,466	(3,452,379,521)	838,149,945	(77,972,779)	760,177,166	551,660,771	859,186,639	4,884,999,959	(3,948,227,058)
	Net Cost of Service Rate Base			2,364,643,110		2,303,948,030	1,879,962,108	2,538,196,882		

Notes:

- (1) Refer to PNM Exhibit HEM-2, WP COS Base Adj for detail
- (2) Refer to PNM Exhibit HEM-2, WP COS Base Alloc for detail
- (3) Refer to PNM Exhibit HEM-2, WP COS Test for detail

Public Service Company of New Mexico  
Schedule I-1  
Consolidated Condensed Balance Sheet  
Base Period Ending 6/30/2014  
Test Period Ending 12/31/2016

Line No.	Description	A	B	PNM Exhibit HEM-2 References
		Adjusted Test Period (3)	PNM Retail Jurisdiction Adjusted Test	
<b>ASSETS</b>				
Current Assets:				
1	Cash and cash equivalents	-	-	
2	Accounts receivable, net of allowance for uncollectible	-	-	
3	Unbilled revenues	-	-	
4	Other receivables	-	-	
5	Affiliate accounts receivable	-	-	
6	Materials, supplies and fuel stock	74,404,746	65,593,883	Line 178 & Line 188
7	Regulatory assets	-	-	
8	Commodity derivative instruments	-	-	
9	Income taxes receivable	-	-	
10	Current portion of accumulated deferred income taxes	43,826,474	-	Line 120
11	Other current assets	54,401,427	48,035,572	Line 196 & Line 198
12	Total Current Assets	<u>172,632,647</u>	<u>113,629,455</u>	
Other Property and Investments:				
13	Investment in PVNGS lessor notes	-	-	
14	Available-for-sale securities	-	-	
15	Other investments	-	-	
16	Non-utility property	-	-	
17	Total Other property and Investments	<u>-</u>	<u>-</u>	
Utility Plant:				
18	Utility Plant	5,350,724,031		
19	Less accumulated depreciation and amortization	2,063,498,332		
20	Subtotal	<u>3,287,225,698</u>	<u>2,696,534,378</u>	Line 74, 143, 144, 145, 146, 167, 168, 172
21	Construction work in progress	-	-	Line 159 - Line 164
22	Nuclear fuel, net of accumulated depreciation	84,996,756	57,711,962	Line 179 & Line 180
23	Net Utility Plant	<u>3,372,222,455</u>	<u>2,754,246,340</u>	
Deferred Charges and Other Assets				
24	Regulatory assets	190,873,247	170,778,232	Line 124, 128, 129, 131, 134, 136, 169, 170
25	Pension Asset	-	-	
26	Derivative Instruments	-	-	
27	Goodwill	-	-	
28	Other deferred charges	67,699,942	43,283,470	Line 165, 166, 171
29	Total Deferred charges and Other assets	<u>258,573,189</u>	<u>214,061,702</u>	
30	Total Assets	<u>3,803,428,291</u>	<u>3,081,937,497</u>	

Notes:

- (1) Refer to PNM Exhibit HEM-2, WP COS Base Adj for detail
- (2) Refer to PNM Exhibit HEM-2, WP COS Base Alloc for detail
- (3) Refer to PNM Exhibit HEM-2, WP COS Test for detail

Public Service Company of New Mexico  
Schedule I-1  
Consolidated Condensed Balance Sheet  
Base Period Ending 6/30/2014  
Test Period Ending 12/31/2016

Line No.	Description	A	B	PNM Exhibit HEM-2 References
		Adjusted Test Period (3)	PNM Retail Jurisdiction Adjusted Test	
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>				
Current Liabilities:				
1	Short-term debt	-		
2	Current installment of long-term debt	-		
3	Accounts payable	-		
4	Affiliate accounts payable	-		
5	Customer deposits	13,669,616	13,669,616	Line 142
6	Accrued interest and taxes	-		
7	Regulatory liabilities	-		
8	Derivative instruments	-		
9	Dividends declared	-		
10	Other current liabilities	-		
11	Total current liabilities	<u>13,669,616</u>	<u>13,669,616</u>	
12	Long-term Debt	-		
13	Deferred Credits and Other Liabilities			
14	Accumulated deferred income taxes	846,413,702	643,336,810	Line 120
15	Accumulated deferred income tax credits	-		
16	Regulatory liabilities	30,070,080	6,914,103	Lines 125, 126, 127, 130, 132, 133, 135
17	Asset retirement obligations	16,360,736	15,741,702	Lines 147, 148, 149, 150
18	Accrued pension liability and postretirement benefit cost	6,360,553	5,543,066	Line 152
19	Commodity derivative instruments	-		
20	Other deferred credits	23,931,610	9,360,300	
21	Total deferred credits and liabilities	<u>923,136,681</u>	<u>680,895,981</u>	
22	Total Liabilities	<u>936,806,297</u>	<u>694,565,597</u>	
23	Cumulative Preferred Stock	-		
24	Common Stockholder's Equity:			
25	Common stock outstanding	-		
26	Accumulated other comprehensive income, net of income tax	-		
27	Retained earnings	-		
28	Total common stockholder's equity	<u>-</u>	<u>-</u>	
29	Non-controlling interest in Valencia	-		
30	Total Equity	<u>-</u>	<u>-</u>	
31	Total Capitalization and Liabilities	<u>936,806,297</u>	<u>694,565,597</u>	
	Net Cost of Service Rate Base	<u>2,866,621,993</u>	<u>2,387,371,899</u>	Line 204

Notes:

- (1) Refer to PNM Exhibit HEM-2, WP COS Base Adj for detail
- (2) Refer to PNM Exhibit HEM-2, WP COS Base Alloc for detail
- (3) Refer to PNM Exhibit HEM-2, WP COS Test for detail

# PNM Schedule I-2

Income statement.

Public Service Company of New Mexico  
Schedule I-2  
Consolidated Statement of Earnings  
Base Period Ending 6/30/2014  
Test Period Ending 12/31/2016

Line No.	Description	A Per Financial Statements 12 months ending 6/30/2014	B Remove Valencia	C Remove Non-COS Items	D COS Reclass and Adjustments	E Total Electric Unadjusted Base Period Cost of Service (3)	F Base Period Adjustments (3)	G Total Adjusted Base Period (4)	H PNM Retail Jurisdiction Adjusted Base Period	I COS Linkage Jul-14 - Jun-15	J COS Linkage Jan-15 - Dec-15
1	Operating Revenues	1,117,169,681	-	524,290	(33,092,556)	1,084,601,415	(20,841,769)	1,063,759,646	940,178,308	1,103,575,206	1,117,383,756
2	Cost of Energy	380,463,683	20,707,447	1,008,113	(49,855,916)	352,323,327	30,458,839	382,782,166	325,038,934	380,938,887	384,748,816
3	Energy production costs	178,551,127	(1,086,580)			177,464,547	5,482,523	182,947,070	154,820,785	173,549,792	166,535,564
4	Transmission and distribution costs	45,710,960	-	(16)	16,763,360	62,474,304	2,049,811	64,524,115	51,340,397	64,524,115	63,370,952
5	Regulatory disallowances	12,235,374		(12,235,374)		-	-	-	-	-	-
6	Administrative and general	139,391,169	(446,879)			138,944,290	(47,075,845)	91,868,445	78,115,378	88,632,586	93,114,821
7	Customer Related	21,584,743				21,584,743	(449,331)	21,135,412	20,324,513	21,048,346	21,162,016
8	Depreciation and amortization (1)	106,046,714	(2,815,878)	30,946	2,380,062	105,641,844	8,680,143	114,321,987	90,597,128	124,303,892	124,879,318
9	Taxes other than income	38,431,668	(1,174,678)	38,402		37,295,392	3,433,589	40,728,981	33,887,453	41,684,710	42,393,346
10	Total operating expenses	541,951,755	(5,524,015)	(12,166,042)	19,143,422	543,405,120	(27,879,110)	515,526,010	429,085,653	513,743,442	511,456,016
11	Operating income	194,754,243	(15,183,432)	11,682,219	(2,380,062)	188,872,968	(23,421,498)	165,451,470	186,053,720	208,892,877	221,178,924
12	Other Income and Deductions:										
13	Interest income	8,833,344		(9,410,796)		(577,452)	-	(577,452)	-	(367,509)	(263,933)
14	Gains on available-for-sale securities	13,136,795		(13,136,795)		-	-	-	-	-	-
15	Other income	8,276,158		(8,276,158)		-	-	-	-	-	-
16	Other (deductions)	(7,710,331)		7,710,331		-	-	-	-	-	-
17	Net other income and deductions	22,535,966	-	(23,113,418)	-	(577,452)	-	(577,452)	-	(367,509)	(263,933)
18	Total Interest Charges	79,163,048		(3,655,789)		75,507,259	(1,899,756)	73,607,503	60,336,470	80,876,816	80,876,285
19	Net Earnings Before Income Taxes	138,127,161	(15,183,432)	(7,775,410)	(2,380,062)	112,788,257	(21,521,742)	91,266,515	125,717,250	127,648,552	140,038,707
20	Income Taxes (2)	44,461,504		(8,156,294)		36,305,210	(6,927,595)	29,377,615	40,466,900	41,088,564	45,076,808
21	Net Earnings (Loss)	93,665,657	(15,183,432)	380,884	(2,380,062)	76,483,048	(14,594,147)	61,888,900	85,250,350	86,559,989	94,961,899
22	Earnings Attributable to Valencia	(15,183,357)	15,183,432			-					
23	Net Earnings ( Loss) Attributable to PNM	78,482,300	-	380,884	(2,380,062)	76,483,048	(14,594,147)	61,888,900	85,250,350	86,559,989	94,961,899
24	Preferred Stock Dividend Requirements	(528,042)				(528,042)	-	(528,042)	(375,991)	(507,619)	(507,619)
25	Net Earnings Available for Common Stock	77,954,258	-	380,884	(2,380,062)	75,955,006	(14,594,147)	61,360,858	84,874,360	86,052,370	94,454,280

Notes:

- (1) Base Period Adjustment in Column C, Line 8 is the imputed equity return on Renewable Reg Assets
- (2) Base and Linkage Period Income taxes are based on the effective tax rate (Column A, Line 20 / Column A Line 19), Test Period is based on PNM Exhibit HEM-2, WP COS Test calculation
- (3) Refer to PNM Exhibit HEM-2, WP COS Base Adj for detail
- (4) Refer to PNM Exhibit HEM-2, WP COS Base Alloc for detail



Public Service Company of New Mexico  
Schedule I-2  
Consolidated Statement of Earnings  
Base Period Ending 6/30/2014  
Test Period Ending 12/31/2016

Line No.	Description	A Total Adjusted Test Period	B PNM Retail Jurisdiction Adjusted Test Period	PNM Exhibit HEM-2 References
1	Operating Revenues	1,251,991,635	1,049,700,528	Line 693 & Line 228 & Line 684
2	Cost of Energy	362,325,487	305,430,198	Line 221 & Line 250
3	Energy production costs	149,188,249	125,904,671	Line 293
4	Transmission and distribution costs	64,717,324	52,816,372	Line 322 & Line 355
5	Regulatory disallowances			
6	Administrative and general	99,872,882	85,074,859	Line 420
7	Customer Related	21,577,825	20,846,698	Line 375
8	Depreciation and amortization (1)	171,830,174	139,791,611	Lines 472, 552, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566
9	Taxes other than income	49,051,813	40,225,752	Line 546 & Line 689
10	Total operating expenses	<u>556,238,267</u>	<u>464,659,963</u>	
11	Operating income	333,427,881	279,610,367	
12	Other Income and Deductions:			
13	Interest income	(68,199)	-	Line 553
14	Gains on available-for-sale securities			
15	Other income			
16	Other (deductions)			
17	Net other income and deductions	<u>(68,199)</u>	<u>-</u>	
18	Total Interest Charges	89,164,671	74,499,387	Line 586 & Line 550 & Line 551
19	Net Earnings Before Income Taxes	244,195,010	205,110,979	
20	Income Taxes (2)	94,249,965	80,231,109	Line 659 & Line 661
21	Net Earnings (Loss)	149,945,045	124,879,870	
22	Earnings Attributable to Valencia			
23	Net Earnings ( Loss) Attributable to PNM	149,945,045	124,879,870	
24	Preferred Stock Dividend Requirements	(573,404)	(477,552)	
25	Net Earnings Available for Common Stock	149,371,642	124,402,318	

Notes:

- (1) Base Period Adjustment in Column C, Line 8 is the imputed equity return on Renewable Reg Assets
- (2) Base and Linkage Period Income taxes are based on the effective tax rate (Column A, Line 20 / Column A Line 19), Test Period is based on PNM Exhibit HEM-2, WP COS Test calculation
- (3) Refer to PNM Exhibit HEM-2, WP COS Base Adj for detail
- (4) Refer to PNM Exhibit HEM-2, WP COS Base Alloc for detail

# PNM Schedule I-3

Statement of changes in financial position.

Public Service Company of New Mexico  
Schedule I-3  
Consolidated Condensed Statement of Cash Flows  
Base Period Ending 6/30/2014  
Test Period Ending 12/31/2016

Line No.	Description	A Per Financial Statements 12 months ending 6/30/14	B Adjustments to Base Period	C Adjusted Base Period	D Test Period	E Adjustments to Test Period	F Adjusted Test Period	G Variance from Adjusted Base Period to Adjusted Test Period	Reference
<b>Cash Flows From Operating Activities:</b>									
1	Net earnings (1)	93,665,657	(31,776,757)	61,888,900	132,316,415	17,628,631	149,945,045	88,056,145	
2	Adjustments to reconcile net earnings to								
3	net cash flows from operating activities:								
4	Depreciation and amortization	138,880,212	8,275,273	147,155,485	196,289,112	23,323,131	219,612,243	72,456,758	
5	Deferred income tax (benefit)	47,923,552	(15,083,889)	32,839,663	103,320,278	(40,832,740)	62,487,538	29,647,875	
6	Net unrealized (gains) losses on commodity derivatives	(407,387)	407,387	-	(4,657,450)	4,657,450	-	-	
7	Realized (gains) on available-for-sale securities	(13,136,775)	13,136,775	-	(12,000,000)	12,000,000	-	-	
8	Regulatory disallowances	12,235,374	(12,235,374)	-	-	-	-	-	
9	Other, net	(545,979)	(3,601,302)	(4,147,281)	10,348,851	(14,712,218)	(4,530,567)	(383,286)	
10	Changes in certain assets and liabilities:								
11	Accounts receivable and unbilled revenues	(1,064,723)	1,064,723	-	(2,182,865)	2,182,865	-	-	
12	Materials and supplies, and fuel stock	(1,045,587)	-	(1,045,587)	1,097,273	-	1,097,273	2,142,860	
13	Other current assets	(18,330,876)	11,340,409	(6,990,467)	(4,810,026)	6,169,231	1,359,206	8,349,673	
14	Other assets	(769,476)	-	(769,476)	74,768	-	74,768	844,244	
15	Accounts payable	(18,100,298)	18,100,298	-	5,000,753	(5,000,753)	-	-	
16	Accrued interest and taxes	25,784,612	(25,784,612)	-	2,899,662	(2,899,662)	-	-	
17	Other current liabilities	90,424	755,644	846,068	(11,198,043)	755,644	(10,442,399)	(11,288,467)	
18	Other liabilities	6,114,358	-	6,114,358	(8,584,677)	-	(8,584,677)	(14,699,035)	
19	Net cash flows from operating activities	271,293,088	(35,401,425)	235,891,663	407,914,050	3,271,580	411,018,430	175,126,767	
<b>Cash Flows From Investing Activities:</b>									
20	Utility plant additions	(233,798,975)	-	(233,798,975)	(399,518,049)	-	(399,518,049)	(165,719,074)	
21	Proceeds from available-for-sale securities	248,493,103	(248,493,103)	-	-	-	-	-	
22	Purchases of available-for-sale securities	(258,470,624)	258,470,624	-	(5,800,000)	5,800,000	-	-	
23	Return of principal on PVNGS lessor notes	22,623,000	(22,623,000)	-	8,904,380	(8,904,380)	-	-	
24	Other, net	2,218,455	-	2,218,455	(8,151,412)	-	(8,151,412)	(10,369,867)	
25	Net cash flows from investing activities	(218,935,041)	(12,645,479)	(231,580,520)	(404,565,080)	(3,104,380)	(407,669,460)	(176,088,940)	
<b>Cash Flows From Financing Activities:</b>									
26	Short-term borrowings (repayments), net	-	-	-	153,217,554	-	153,217,554	153,217,554	
27	Short-term borrowings (repayments - affiliate)	-	-	-	-	-	-	-	
28	Long-term borrowings	175,000,000	-	175,000,000	-	-	-	(175,000,000)	
29	Redemption of long-term debt	(75,000,000)	-	(75,000,000)	(75,000,000)	-	(75,000,000)	-	
30	Equity transactions with Valencia's owner	(17,849,013)	17,849,013	-	-	-	-	-	
31	Dividends paid	(155,556,298)	-	(155,556,298)	(125,464,524)	-	(125,464,524)	30,091,774	
32	Other, net	(2,065,334)	-	(2,065,334)	43,898,000	-	43,898,000	45,963,334	
33	Net cash flows from financing activities	(75,470,645)	17,849,013	(57,621,632)	(3,348,970)	-	(3,348,970)	54,272,662	
34	<b>Change in Cash and Cash Equivalents</b>	(23,112,598)	(30,197,891)	(53,310,489)	-	167,200	(0)	53,310,489	
35	<b>Cash and Cash Equivalents Beginning of Period (2)</b>	32,468,720	32,468,720	32,468,720	1,000,000	(1,000,000)	-	(32,468,720)	
36	<b>Cash and Cash Equivalents End of Period (3)</b>	9,356,122	2,270,829	(20,841,769)	1,000,000	(832,800)	(0)	20,841,769	

Notes:

Please refer to testimony of PNM Witness Henry Monroy for adjustments to Base Period, linkage data, and Test Period.

- (1) See schedule I-2 line 21 for columns A, B, C, and F
- (2) See schedule I-1 line 1 for columns D, E, and F
- (3) See schedule I-1 line 1 for columns A,C,D, and F