BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF PUBLIC SERVICE COMPANY OF NEW MEXICO'S APPLICATION FOR APPROVAL OF ITS RENEWABLE ENERGY ACT PLAN FOR 2024 AND PROPOSED 2024 RIDER RATE UNDER RATE RIDER NO. 36,	)	**Case No. 23-00___-UT**
PUBLIC SERVICE COMPANY OF NEW MEXICO,	)	
Applicant.	)	

DIRECT TESTIMONY

OF

SHANE GUTIERREZ

June 1, 2023

NMPRC CASE NO. 23-00____-UT
INDEX TO THE DIRECT TESTIMONY OF SHANE GUTIERREZ

WITNESS FOR
PUBLIC SERVICE COMPANY OF NEW MEXICO

DIRECT TESTIMONY OF
SHANE GUTIERREZ
NMPRC CASE NO. 23-00_____-UT

I. INTRODUCTION

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

A. My name is Shane Gutierrez. My business address is Public Service Company of New Mexico ("PNM"), 414 Silver Avenue Southwest, Albuquerque, New Mexico 87102. I am a Senior Project Manager, Financial Modeling in PNM's Planning and Resources Department. The Planning and Resources Department is responsible for identifying the future resources PNM will need to provide electric service to retail customers.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

A. My educational background and professional experience are summarized in PNM Exhibit SG-1, which includes a tabulation of cases before the New Mexico Public Regulation Commission ("NMPRC" or "Commission") in which I have testified.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. My testimony:

- Presents PNM's projected renewable portfolio standard ("RPS") requirements for 2024 and 2025;
- Demonstrates that the 2024 Renewable Energy Act Procurement Plan meets the requirements of the Renewable Energy Act, NMSA 1978, §§ 62-16-1 to 10 (2004, as amended through 2019) ("REA"), and the applicable

requirements of Commission Rule 17.9.572 NMAC ("Rule 572") in 2024 and 2025; and

- Provides certain information related to the Lightning Dock Geothermal Facility ("Lightning Dock") procurement in compliance with the Final Order in Case No. 18-00158-UT.

Q. HAVE YOU PREPARED ANY EXHIBITS IN ADDITION TO YOUR RESUME?

A. Yes. PNM Exhibit SG-2 is a three-page exhibit that contains the calculations supporting my testimony. It summarizes the RPS requirements, and the resources PNM will use to meet those requirements in the 2024 and 2025 plan years.

II. PLAN YEAR (2024) RPS COMPLIANCE

Q. WHAT IS PNM'S RPS REQUIREMENT FOR 2024?

A. Pursuant to Rule 572.10 and Section 62-16-4(A) of the REA, the RPS requirement for 2024 is 20% of retail sales. PNM's projected retail sales in 2024 are 9,626,962 MWh. For purposes of calculating the RPS, Section 62-16-6(B)(2) of the REA requires PNM to reduce total projected retail sales for sales made under a Commission-approved voluntary program. PNM currently offers three voluntary renewable energy programs: PNM's Sky Blue program approved in Case No. 10-00018-UT, Rate No. 36B, pursuant to which PNM provides renewable energy to match the load of its data center customer pursuant to the Special Service Contract

initially approved by the Commission in Case No. 16-00191-UT and Solar Direct, a voluntary program for large customers, which was approved by the Commission in Case No. 19-00158-UT. After reducing the retail sales projection by 1,591,150 MWh for sales under these three voluntary programs, PNM's sales subject to the RPS are 8,035,813 MWh. The RPS requirement is therefore equal to 20% of those sales, or 1,607,163 MWh. Please see PNM Exhibit SG-2 for a detailed calculation of the 2024 RPS.

Q. WILL PNM'S EXISTING RENEWABLE RESOURCES PROVIDE SUFFICIENT RECS TO MEET THE RPS IN 2024?

A. Yes. PNM anticipates exceeding its 2024 RPS requirements by 1,543,044 RECs, as shown on page 1, line 7, in PNM Exhibit SG-2. PNM expects to bank its 2024 surplus RECs, which it will add to the prior year's bank, to help meet future RPS compliance. The actual surplus and banked RECs will depend on actual renewable production, actual retail sales, and participation in PNM's voluntary renewable energy programs.

Q. WHAT ARE THE COSTS OF PNM'S PORTFOLIO OF RPS RESOURCES IN 2024?

A. Total costs for 2024 are $59,021,533 as shown on page 1, line 17 of PNM Exhibit SG-2. Page 2 of PNM Exhibit SG-2 further details the resources and their projected costs for 2024. PNM witness Thomas S. Baker provides the 2024 revenue requirement for the portfolio in his direct testimony.

Q. WHAT TYPES OF RESOURCES WILL COMPRISE PNM'S RPS PORTFOLIO IN 2024?

A. I will describe the specific renewable resources in more detail later in my testimony. The portfolio will be comprised of 40% wind, 57% solar photovoltaic ("PV"), 1% "other" (non-wind, non-solar), and 2% contracted distributed generation resources before any REC banking projections are accounted for. The components above are rounded to the nearest percentage.

III. NEXT PLAN YEAR (2025) RPS COMPLIANCE

Q. WHAT IS PNM'S PROJECTED RPS REQUIREMENT FOR 2025?

A. PNM's projected retail sales in 2025 are 10,178,483 MWh. After reducing the retail sales projection by 2,149,282 MWh for sales under voluntary programs, PNM's sales subject to the RPS are 8,029,201 MWh. The RPS requirement is therefore equal to 40% of those sales, or 3,211,680 MWh. Please see PNM Exhibit SG-2 for a detailed calculation of the 2025 RPS.

Q. WILL PNM'S EXISTING RENEWABLE RESOURCES PROVIDE SUFFICIENT RECS TO MEET THE RPS IN 2025?

A. Yes. PNM anticipates exceeding its 2025 RPS requirements by 1,121,138 RECs, as shown on page 1, line 7, in PNM Exhibit SG-2. PNM expects to bank its 2025 surplus RECs, which it will add to the prior year's bank, to help meet future RPS

compliance. The actual surplus and banked RECs will depend on actual renewable production, actual retail sales, and participation in PNM's voluntary renewable energy programs.

Q. WHAT ARE THE PROJECTED COSTS OF PNM'S PORTFOLIO OF RPS RESOURCES IN 2025?

A. Total costs for 2025 are projected to be $58,857,352, as shown on page 1, line 17 of PNM Exhibit SG-2. Page 3 of PNM Exhibit SG-2 further details the resources and their projected costs for 2025.

Q. WHAT TYPES OF RESOURCES WILL COMPRISE PNM'S RPS PORTFOLIO IN 2025?

A. I will describe the specific renewable resources in more detail below. The portfolio will consist of 29% wind, 68% solar PV, 1% "other" and 1% distributed generation before any REC banking projections are accounted for. The components above are rounded to the nearest percentage.

IV. RESOURCES FOR RPS COMPLIANCE AND PORTFOLIO COSTS

Q. HAVE YOU PREPARED AN OVERVIEW OF PNM'S EXISTING RENEWABLE RESOURCES AND COSTS?

A. Yes. PNM's existing renewable resources for RPS compliance include wind, solar PV, geothermal energy, and purchases of RECs associated with customer-sited

solar PV facilities on PNM's system. REC projections and cost information for these resources are provided on pages 2 and 3 of PNM Exhibit SG-2.

Q. PLEASE DESCRIBE PNM'S EXISTING WIND RESOURCES.

A. PNM has three existing sources of wind generation:

1) PNM has a power purchase agreement ("PPA") for all the output of the 200 MW New Mexico Wind Energy Center ("NMWEC") located in Quay County, New Mexico, which currently generates approximately 572,000 MWh of energy and associated RECs annually, a portion of which is used for PNM's Sky Blue program.
2) PNM has a PPA for the entire output of the Red Mesa Wind Energy Center ("Red Mesa"), a 102 MW facility in Cibola County, New Mexico. Energy production from Red Mesa is expected to be approximately 208,000 MWh in 2024 and 2025.
3) PNM has a PPA for the entire output of the La Joya II wind facility located in Torrance County, New Mexico. Energy production from La Joya II is expected to be approximately 492,000 MWh in 2024 and 2025.

Q. PLEASE DESCRIBE PNM'S EXISTING SOLAR RPS RESOURCES.

A. PNM owns 117 MW of solar PV generation that has been procured solely to meet RPS compliance. The 117 MW of solar PV is comprised of the following:

a) Energy produced by 22.5 MW of solar PV facilities that were constructed in 2011 ("2011 PNM Solar PV"). This includes the 0.5 MW Prosperity solar

PV with battery storage project. The production from these facilities is projected to be approximately 46,000 MWh in 2024 and in 2025[1].

b) Energy produced by 21.5 MW of solar PV facilities that became operational in 2013 ("2013 PNM Solar PV"). PNM allocates the energy produced from 1.5 MW of the 21.5 MW of 2013 PNM Solar PV to PNM's Sky Blue program. The energy production from 20 MW of the 2013 PNM Solar PV is projected to be approximately 42,000 MWh in 2024 and in 2025[2].

c) Energy produced by 23 MW of solar PV facilities that became operational in 2014 ("2014 PNM Solar PV"). The energy production from the 2014 PNM Solar PV is projected to be approximately 57,000 MWh in 2024 and in 2025[3].

d) PNM owns solar PV facilities at its Algodones site (25 kW) and its Aztec building in Albuquerque (5 kW). The MWh-RECs associated with the energy from these facilities have a grandfathered 3-1 weighting and the combined annual output from these facilities is projected to be approximately 83 MWh in 2024 and in 2025[4].

e) Energy produced by 50 MW of solar PV facilities that became operational in 2019 ("2019 PNM Solar PV"). The energy production from the 2019 PNM Solar PV is projected to be approximately 131,000 MWh in 2024 and in 2025[5].

[1] PNM assumes that production will decline 0.5% annually due to degradation of these solar PV panels.
[2] PNM assumes that production will decline 0.5% annually due to degradation of these solar PV panels.
[3] PNM assumes that production will decline 0.5% annually due to degradation of these solar PV panels.
[4] PNM assumes that production will decline 1.0% annually due to degradation of these solar PV panels.
[5] PNM assumes that production will decline 0.5% annually due to degradation of these solar PV panels.

Q. WHAT SYSTEM RESOURCES IS PNM EXPECTED TO USE FOR RPS COMPLIANCE?

A. PNM has procured 40 MW of PNM owned solar PV resources pursuant to a stipulation approved in Case No. 14-00158-UT, 650 MW of solar PV as approved in Case No. 19-00195-UT and 450 MW as approved in Case No. 21-00215-UT. The Commission also approved PNM's ability to use RECs from a 100 kW microgrid project in Case No. 21-00143-UT and approved legislation was promulgated through the Commission in Case No. 21-00112-UT for PNM's share of Community Solar projects (125 MW) in which PNM can use RECs to meet RPS obligations. These 1,265 MW of system resources are described in more detail below:

a) PNM uses RECs produced by 40 MW of solar PV facilities that became operational in 2015 ("2015 PNM Solar PV") for RPS compliance. The energy production from the 2015 PNM Solar PV is projected to be approximately 89,000 MWh in 2024 and in 2025[6].

b) PNM has a PPA for all the output from the 50 MW Jicarilla Solar I facility. This PPA was approved in Case No. 19-00195-UT. The energy production from the Jicarilla Solar I facility is projected to be approximately 136,000 MWh in 2024 and 133,000 MWh in 2025.

c) PNM has a PPA for all the output from the 300 MW Arroyo Solar facility. This PPA was approved in Case No. 19-00195-UT. The energy

[6] PNM assumes that production will decline 0.7% annually due to degradation of these solar PV panels.

production from the Arroyo Solar facility is projected to be approximately 834,000 MWh in 2024 and 809,000 MWh in 2025.

d) PNM has a PPA for all the output from the 200 MW San Juan Solar facility that is expected to become operational by June 2024. This PPA was approved in Case No. 19-00195-UT. The energy production from this facility is projected to be approximately 401,000 MWh in 2024 and 564,000 MWh in 2025.

e) PNM has a PPA for all the output from the 300 MW Atrisco Solar facility that is expected to become operational by December 2024. This PPA was approved in Case No. 21-00083-UT. The energy production from this facility is projected to be approximately 45,000 MWh in 2024 and 892,000 MWh in 2025.

f) The Mesa Del Sol microgrid project is an aggregate of rooftop systems totaling approximately 100 kW. PNM was granted approval to use RECs for RPS compliance from this project in Case No. 21-00143-UT. The energy production from this facility is projected to be approximately 200 MWh in 2025.

g) Per the Community Solar Act, NMSA 1978, §§ 62-16B-1 to -8, and the applicable requirements of Commission Rule 17.9.573 NMAC ("Rule 573"), PNM expects 125 MW of solar PV facilities to become operational in mid-2025. The energy production from these facilities is projected to be approximately 203,000 MWh in 2025.

Q. PLEASE DESCRIBE PNM'S EXISTING "OTHER" (NON-WIND, NON-SOLAR) RESOURCES.

A. PNM has a PPA for the output produced by the Dale Burgett facility (aka Lightning Dock), up to 77,000 MWh annually, a facility that generates electricity from geothermal resources located near Lordsburg, New Mexico. Historical energy production from Dale Burgett has trended downward since 2019. The latest forecast received from the facility operator (Cyrq Energy) follows this trend and is the result of delayed equipment maintenance, lower than expected well production and delayed new well drilling. Energy production from this facility is projected to be approximately 41,000 MWh in 2024 and in 2025. For additional information, including reporting requirements, please see the direct testimony of Nicholas Phillips.

Q. WHAT REC PURCHASE ARRANGEMENTS DOES PNM HAVE FOR CUSTOMER-SITED SOLAR PV SYSTEMS?

A. Pursuant to REC purchase programs approved by the Commission, PNM has REC purchase contracts with PNM customers who interconnect solar PV systems to their homes, commercial buildings, or other customer facilities. Under these programs, PNM acquires some or all the RECs associated with the energy generated from the customer-sited solar PV facility. These programs include the Large PV REC Purchase Program ("Large PV Program"), the Solar REC Incentive Programs ("SIP"), the Capacity Reservation Program, and the Customer Solar REC Purchase

Program ("CSPP"). PNM expects that these programs collectively will generate approximately 52,000 RECs in 2024 and in 2025.

Q. PLEASE DESCRIBE THE WREGIS COSTS ASSOCIATED WITH PNM'S RENEWABLE RESOURCES.

A. Pursuant to Rule 572.17(E), WREGIS[7] certification is required for all RECs used to demonstrate compliance with the RPS. PNM's annual WREGIS fee is $83 per year to maintain an account. Additionally, WREGIS charges a fee of $0.004 per REC for certificate issuance or transfer and $0.004 per REC for retirement, for a total fee of $0.008 per REC. For the Red Mesa and Dale Burgett resources, PNM only incurs the cost to retire MWh-RECs from those facilities as those RECs are transferred to PNM, thus only $0.004 per REC is applied. Additionally, PNM applies the WREGIS fee for REC retirement only in the year that RECs or banked RECs are used for RPS compliance.

V. CASE NO. 18-00158-UT DALE BURGETT (AKA LIGHTNING DOCK) REPORTING REQUIREMENTS

Q. WHAT REPORTING REQUIREMENTS FROM CASE NO. 18-00158-UT DO YOU ADDRESS?

A. I address the requirement to state the annual energy output by the Dale Burgett geothermal facility for the prior calendar year and the first three months of the

[7] WREGIS is the Western Renewable Energy Generation Information System.

following year. PNM witness Phillips addresses the remaining Case No. 18-00158-UT reporting requirements in his direct testimony.

Q. WHAT WAS THE FACILITY ENERGY PRODUCTION IN 2022 AND THE FIRST THREE MONTHS OF 2023?

A. Geothermal energy production for calendar-year 2022 was 47,082 RECs. 2023 energy production, through March, was 12,501 MWh.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes, it does.

GCG#530971

SHANE GUTIERREZ
EXPERIENCE AND QUALIFICATIONS

Address: PNM Resources Inc.
414 Silver Ave. SW
Albuquerque, NM 87102

Position: Senior Project Manager, Financial Modeling

Education: B.S., Electrical Engineering, New Mexico State University, 2001

Employment:

Public Service Company of New Mexico
Senior Project Manager, Financial Modeling, 2020 to Present
Engineer IV, Planning & Resources Dept., 2010 to 2020
Engineer, Utility Margin Department, 2009-2010

Public Service Company of Colorado
Planning Engineer/Engineer, Transmission Planning and Transmission Access Dept., 2002 to 2009

New Mexico Public Regulation Commission Testimony:

Case No. 12-00131-UT	PNM's 2013 Renewable Energy Plan
Case No. 13-00183-UT	PNM's 2014 Renewable Energy Plan
Case No. 14-00158-UT	PNM's 2015 Renewable Energy Plan
Case No. 15-00166-UT	PNM's 2016 Renewable Energy Plan
Case No. 16-00148-UT	PNM's 2017 Renewable Energy Plan
Case No. 17-00129-UT	PNM's 2018 Renewable Energy Plan
Case No. 18-00158-UT	PNM's 2019 Renewable Energy Plan
Case No. 19-00159-UT	PNM's 2020 Renewable Energy Plan
Case No. 20-00124-UT	PNM's 2021 Renewable Energy Plan
Case No. 21-00143-UT	PNM's 2022 Renewable Energy Plan
Case No. 22-00143-UT	PNM's 2023 Renewable Energy Plan

PNM Exhibit SG-2

2024 Plan RPS and RCT Summary

Line	2024 Plan RPS and RCT Summary	2024	2025	Line
1	Annual Retail Sales (MWh)	9,626,962	10,178,483	1
2	(-) Voluntary Tariff Sales (MWh)	1,591,150	2,149,282	2
3	Net Annual Retail Sales (MWh)	8,035,813	8,029,201	3
4	RPS (%)	20%	40%	4
5	RPS (MWh)	1,607,163	3,211,680	5
	RPS Compliance & Diversity	**2024**	**2025**	
6	Portfolio RECs	3,150,206	4,332,818	6
7	Portfolio REC Surplus	1,543,044	1,121,138	7
8	Prior-Year Banked RECs	540,008	2,083,052	8
9	On-Year REC Bank	2,083,052	3,204,190	9
10	RECs used for RPS Compliance	1,607,163	3,211,680	10
11	Portfolio Percent of Annual Sales (%)	20%	40%	11
12	Portfolio Percent of RPS Goal (%)	100%	100%	12
13	Wind Diversity (%)	40%	29%	13
14	Solar Diversity (%)	57%	68%	14
15	Other Diversity (%)	1%	1%	15
16	DG Diversity (%)	2%	1%	16
	Portfolio Cost	**2024**	**2025**	
17	Portfolio Cost ($)	$59,021,533	$58,857,352	17

Notes for Numbered Rows

1 *Includes annual retail sales and impacts due to energy efficiency and distributed generation*

2 *Includes sum of lesser of voluntary customer sales or renewable production*

3 *Line 1 - Line 2*

4 *Renewable Portfolio Standard goal*

5 *Line 3 x Line 4*

6 *Annual Sum of projected RECs for PNM's portfolio for RPS Compliance*

7 *Line 6 - Line 5*

8 *Prior Year Banked RECs*

9 *Line 7 + Line 8*

10 *If Line 8 < 0 = Line 6 - Line 7 - Line 8, If Line 8 > 0 = Line 6 - Line 7*

11 *Line 10 ÷ Line 3*

12 *Line 10 ÷ Line 5*

13 *Sum of Wind RECs divided by Portfolio RECs*

14 *Sum of Solar RECs divided by Portfolio RECs*

15 *Sum of Other RECs divided by Portfolio RECs*

16 *Sum of DG RECs divided by Portfolio RECs*

17 *Sum of portfolio procurement costs, including WREGIS fees*

PNM Exhibit SG-2

		A	B	C	D = B + C	E = A * D	F	G	
	2024	**MWh RECs**	**Cost $/MWh-REC**	**WREGIS Cost $/MWh-REC**	**Total Cost $/MWh-REC**	**Total Cost $**	**2024 RCT**	**Compare to col. D**	
[1]	**Utility Wind**								[1]
[2]	New Mexico Wind Energy Center[1]	571,976	$27.25	$0.008	$27.26	$15,590,928	$63.68	**Below**	[2]
[3]	Red Mesa	208,000	$33.37	$0.004	$33.37	$6,941,165	$63.68	**Below**	[3]
[4]	La Joya II	491,582	$17.48	$0.004	$17.48	$8,594,811	$63.68	**Below**	[4]
[5]	**Total Utility Wind**	**1,271,558**				**$31,126,904**			[5]
[6]									[6]
[7]	**Distributed Generation**								[7]
[8]	Large PV RECs	10,804	$150.00	$0.008	$150.01	$1,620,708	$63.68	**Above**	[8]
[9]	SIP RECs $0.14 - $0.05	26,304	$89.62	$0.008	$89.62	$2,357,490	$63.68	**Above**	[9]
[10]	2018-2022 DG Capacity Reservations	9,778	$2.50	$0.008	$2.51	$24,524	$63.68	**Below**	[10]
[11]	CSPP RECs	0	$0.00	$0.008	$0.01	-	$63.68	**Below**	[11]
[12]	Case 13-00390-UT Stipulation	5,944	$2.50	$0.008	$2.51	$14,908	$63.68	**Below**	[12]
[13]	**Total Distributed Generation**	**52,831**	**$0.00**	-	**-**	**$4,017,630**			[13]
[14]									[14]
[15]	**Utility Solar**								[15]
[16]	Algodones/Aztec @3:1	84	$0.00	$0.008	$0.008	$1	$63.68	**Below**	[16]
[17]	2011 PNM Solar PV 22.5 MW	46,228	$102.15	$0.008	$102.153	$4,722,382	$63.68	**Above**	[17]
[18]	2013 PNM Solar PV 20 MW1	42,631	$85.88	$0.008	$85.888	$3,661,514	$63.68	**Above**	[18]
[19]	2014 PNM Solar PV 23 MW	57,598	$70.36	$0.008	$70.366	$4,052,931	$63.68	**Above**	[19]
[20]	2015 PNM Solar PV 40 MW	89,072	$0.00	$0.008	$0.008	$713	$63.68	**Below**	[20]
[21]	2019 PNM Solar PV 50 MW	131,965	$53.90	$0.008	$53.907	$7,113,767	$63.68	**Below**	[21]
[22]	Mesa Del Sol Microgrid RECs	0	$0.00	$0.008	$0.008	$0	$63.68	**Below**	[22]
[23]	Community Solar I RECs	0	$0.00	$0.008	$0.008	$0	$63.68	**Below**	[23]
[24]	Jicarilla Solar I PPA 50 MW	136,267	$0.00	$0.008	$0.008	$1,090	$63.68	**Below**	[24]
[25]	Arroyo Solar PPA 300 MW	834,219	$0.00	$0.008	$0.008	$6,674	$63.68	**Below**	[25]
[26]	San Juan Solar 1 PPA 200 MW	401,366	$0.00	$0.008	$0.008	$3,211	$63.68	**Below**	[26]
[27]	Atrisco Solar PPA 300 MW	45,014	$0.00	$0.008	$0.008	$360	$63.68	**Below**	[27]
[28]									[28]
[29]	**Total Utility Solar**	**1,784,444**				**$19,562,642**			[29]
[30]									[30]
[31]	**Utility "Other"**								[31]
[32]	Dale Burgett Geothermal PPA	41,374	$103.21	$0.004	$103.22	$4,270,447	$63.68	**Above**	[32]
[33]									[33]
[34]	**RECs for RPS**								[34]
[35]	2024 Vintage RECs	(1,543,044)	$0.00	$0.004	$0.00	($6,172)	$63.68	**Below**	[35]
[36]									[36]
[37]	**2024 Total Production & Costs**	**1,607,163**				**$58,971,450**			[37]
[38]	**2024 Filing Costs & Fees ($)**					**$50,083**			[38]
[39]	**2024 Portfolio Costs ($)**					**$59,021,533**			[39]
[40]	**2024 Average Cost ($/MWh-REC)**					**$36.72**			[40]
[41]	**2024 RPS Compliance Goal (%)**					**20.0%**			[41]
[42]	**2024 RPS Compliance (%)**					**20.0%**			[42]

Notes

1). Projected energy accounts for allocation to PNM Sky Blue Program.

2). Includes $50,000 of Renewable Filing Costs and WREGIS Annual Fee of $83

PNM Exhibit SG-2

		A	B	C	D = B + C	E = A * D	F	G	
	2025	**MWh RECs**	**Cost $/MWh-REC**	**WREGIS Cost $/MWh-REC**	**Total Cost $/MWh-REC**	**Total Cost $**	**2025 RCT**	**Compare to col. D**	
[1]	**Utility Wind**								[1]
[2]	New Mexico Wind Energy Center1	572,313	$27.25	$0.008	$27.26	$15,600,107	$64.64	**Below**	[2]
[3]	Red Mesa	208,000	$34.03	$0.004	$34.04	$7,079,971	$64.64	**Below**	[3]
[4]	La Joya II	491,582	$17.48	$0.004	$17.48	$8,594,811	$64.64	**Below**	[4]
[5]	**Total Utility Wind**	**1,271,894**				**$31,274,890**			[5]
[6]									[6]
[7]	**Distributed Generation**								[7]
[8]	Large PV RECs	10,750	$150.00	$0.008	$150.01	$1,612,604	$64.64	**Above**	[8]
[9]	SIP RECs $0.14 - $0.05	26,172	$89.62	$0.008	$89.62	$2,345,702	$64.64	**Above**	[9]
[10]	2018-2022 DG Capacity Reservations	9,730	$2.50	$0.008	$2.51	$24,402	$64.64	**Below**	[10]
[11]	CSPP RECs	0	$0.00	$0.008	$0.01	-	$64.64	**Below**	[11]
[12]	Case 13-00390-UT Stipulation	5,914	$2.50	$0.008	$2.51	$14,833	$64.64	**Below**	[12]
[13]	**Total Distributed Generation**	**52,567**	**$0.00**			**$3,997,542**			[13]
[14]									[14]
[15]	**Utility Solar**								[15]
[16]	Algodones/Aztec @3:1	83	$0.00	$0.008	$0.008	$1	$64.64	**Below**	[16]
[17]	2011 PNM Solar PV 22.5 MW	45,995	$101.22	$0.008	$101.23	$4,656,178	$64.64	**Above**	[17]
[18]	2013 PNM Solar PV 20 MW1	42,418	$84.38	$0.008	$84.39	$3,579,620	$64.64	**Above**	[18]
[19]	2014 PNM Solar PV 23 MW	57,310	$69.29	$0.008	$69.30	$3,971,433	$64.64	**Above**	[19]
[20]	2015 PNM Solar PV 40 MW	88,404	$0.00	$0.008	$0.008	$707	$64.64	**Below**	[20]
[21]	2019 PNM Solar PV 50 MW	130,975	$52.93	$0.008	$52.94	$6,933,364	$64.64	**Below**	[21]
[22]	Mesa Del Sol Microgrid RECs	200	$0.00	$0.008	$0.008	$2	$64.64	**Below**	[22]
[23]	Community Solar I RECs	203,373	$0.00	$0.008	$0.008	$1,627	$64.64	**Below**	[23]
[24]	Jicarilla Solar I PPA 50 MW	132,655	$0.00	$0.008	$0.008	$1,061	$64.64	**Below**	[24]
[25]	Arroyo Solar PPA 300 MW	809,192	$0.00	$0.008	$0.008	$6,474	$64.64	**Below**	[25]
[26]	San Juan Solar 1 PPA 200 MW	564,047	$0.00	$0.008	$0.01	$4,512	$64.64	**Below**	[26]
[27]	Atrisco Solar PPA 300 MW	892,331	$0.00	$0.008	$0.01	$7,139	$64.64	**Below**	[27]
[28]									[28]
[29]	**Total Utility Solar**	**2,966,984**				**$19,162,118**			[29]
[30]									[30]
[31]	**Utility "Other"**								[31]
[32]	Dale Burgett Geothermal PPA	41,374	$105.79	$0.004	$105.80	$4,377,204	$64.64	**Above**	[32]
[33]									[33]
[34]	**RECs for RPS**								[34]
[35]	2025 Vintage RECs	(1,121,138)	$0.00	$0.004	$0.00	($4,485)	$64.64	**Below**	[35]
[36]									[36]
[37]	**2025 Total Production & Costs**	**3,211,680**				**$58,807,269**			[37]
[38]	**2025 Filing Costs & Fees ($)**					**$50,083**			[38]
[39]	**2025 Portfolio Costs ($)**					**$58,857,352**			[39]
[40]	**2025 Average Cost ($/MWh-REC)**					**$18.33**			[40]
[41]	**2025 RPS Compliance Goal (%)**					**40.0%**			[41]
[42]	**2025 RPS Compliance (%)**					**40.0%**			[42]

Notes

1). Projected energy accounts for allocation to PNM Sky Blue Program.

2). Includes $50,000 of Renewable Filing Costs and WREGIS Annual Fee of $83