

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF PUBLIC SERVICE COMPANY OF)
NEW MEXICO’S FIRST ANNUAL GRID)
MODERNIZATION REVIEW FILING PURSUANT)
TO THE COMMISSION’S FINAL ORDER) **Case No. 25-0004-UT**
)
PUBLIC SERVICE COMPANY OF NEW MEXICO,
)
Applicant.)
)
)

DIRECT TESTIMONY

OF

THOMAS S. BAKER

June 20, 2025

NMPRC CASE NO. 25-00__-UT
INDEX TO THE DIRECT TESTIMONY OF
THOMAS S. BAKER

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 Thomas S. Baker. I am the Senior Manager of Cost of Service for PNMR Services Company (“PNMR”). My address is 414 Silver Avenue, SW, Albuquerque, New Mexico 87102. I am testifying on behalf of PNM.

Q. Please describe your educational background and professional experience.

A. My educational background and professional experience are summarized in PNM Exhibit TSB-1, which includes a list of cases in which I have testified, including those before the New Mexico Public Regulation Commission (“Commission” or “NMPRC”).

Q. Please describe your responsibilities as Senior Manager of Cost of Service.

A. I am responsible for revenue requirement and cost of service-related work for the public utility subsidiaries of TXNM Energy Inc., including Public Service Company of New Mexico (“PNM”). This responsibility includes preparation of revenue requirement analysis and testimony for regulatory filings.

Q. Please state the purpose of your Direct Testimony.

A. My Direct Testimony will focus on the following areas:

- I provide an informational update on PNM’s year one Grid Modernization Rider (“GMR”) revenue requirement, along with a discussion of any

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1 expected variance from what was approved by the Commission in Case No.
2 22-00058-UT.

3 • I provide an update on PNM's year two GMR revenue requirement that
4 PNM is requesting for approval, along with a discussion of any variances
5 from what was presented in PNM's application in Case No. 22-00058-UT
6 for year two.

7 • I provide an informational update on PNM's years three through six GMR
8 revenue requirements, along with a discussion of any variances from what
9 was presented in PNM's application in Case No. 22-00058-UT for years
10 three through six.

11 • I outline PNM's plan for future GMR annual review and reconciliation
12 filings, GMR rider filings, and the true-up process included in the GMR
13 annual filing.

14
15 **II. GMR REVENUE REQUIREMENT**

16 **Q. Will PNM be requesting approval for a GMR rate in this compliance filing?**

17 **A.** No. In the Final Order approving PNM's initial grid modernization application in
18 Case No. 22-00058-UT, the Commission approved cost recovery based on a
19 historic test year and requires the GMR rate be based on actual capital put in service
20 and actual O&M as of December 31 of the prior year. PNM is still in the first year
21 of the grid modernization program. PNM will request approval of a GMR rate
22 subsequent to the completion of year one (January 2025 – December 2025), as
23 discussed later in my testimony. Additional information about the estimated GMR

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1 rate for years one and two can also be found in the Direct Testimony of PNM
2 witness Heidi Pitts.

3

4 **Q. Please summarize the updated GMR estimated revenue requirements for the**
5 **six-year plan.**

6 **A.** PNM Table TSB-1 below summarizes the updated estimated revenue requirement
7 by program. Later in my testimony I will discuss changes compared to PNM's
8 original grid modernization application in Case No. 22-00058-UT.

PNM Table TSB-1							
Grid Modernization Revenue Requirements by Project							
(\$ in thousands)							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
ADMS	\$ 134	\$ 134	\$ 838	\$ 1,456	\$ 3,230	\$ 4,408	
Advanced Metering	3,943	8,853	16,975	22,312	22,285	18,048	
Customer Information & Analytics	1,152	1,319	2,280	2,624	2,802	2,786	
Cybersecurity	1	263	1,050	1,035	1,047	1,042	
Data Management & Architecture	1,720	2,764	3,200	3,418	3,710	3,934	
Distribution Planning & Engineering	384	624	757	1,504	2,243	2,151	
Distribution Automation	10	2,065	5,003	7,040	9,149	11,346	
Telecommunications	818	1,390	3,298	4,314	5,146	5,956	
Program Oversight	2,056	2,160	1,296	1,354	1,414	1,476	
9 Total Revenue Requirement	\$ 10,218	\$ 19,571	\$ 34,697	\$ 45,057	\$ 51,027	\$ 51,148	

10

11 **Q. Have there been any changes in cost components included in the updated**
12 **GMR annual revenue requirement compared to what was presented in PNM's**
13 **original application in Case No. 22-00058-UT?**

14 **A.** No. PNM's GMR revenue requirement cost components remain the same as its
15 initial application in Case No. 22-00058-UT. GMR revenue requirement
16 components consist of rate base, return on rate base, operation and maintenance
17 expense, depreciation expense, and tax expense.

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1 **Q.** Have there been any changes in assumptions when estimating the GMR
2 revenue requirement from what was described in PNM’s original application
3 in Case No. 22-00058-UT?

4 **A.** PNM has updated the weighted average cost of capital, or WACC, to be in line with
5 PNM’s most recently approved WACC from Case No. 24-00089-UT.¹

6

7 PNM’s Grid Mod revenue requirement reflects updated estimated depreciation
8 rates, which are based on PNM’s most recently approved depreciation rates
9 approved by the Commission in Case No. 22-00270-UT.² PNM has continued to
10 apply a 5% depreciation rate on AMI meters to align with their expected 20-year
11 useful life.

12

13 **A. *Updated Year One Revenue Requirements***

14 **Q.** Has PNM updated the estimated GMR revenue requirement for year one?

15 **A.** Yes. Please see PNM Table TSB-2 below for a summary of the year one GMR
16 revenue requirement by project. Please see PNM Exhibit TSB-2 for the updated
17 estimated monthly revenue requirement for year one.

¹ Case No. 22-00058-UT, Final Order at ¶ 67 (Oct. 17, 2024).

² PNM depreciation rates were not updated in its most recent rate case, therefore the depreciation rates approved in Case No. 22-00270-UT are still in effect.

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PNM Table TSB-2 Grid Modernization Revenue Requirements by Project (\$ in thousands)			
	Year 1 Updated	Year 1 Approved	Year 1 Change
ADMS	\$ 134	\$ 824	\$ (689)
Advanced Metering	3,943	5,744	(1,801)
Customer Information & Analytics	1,152	-	1,152
Cybersecurity	1	9	(9)
Data Management & Architecture	1,720	1,216	504
Distribution Planning & Engineering	384	384	-
Distribution Automation	10	37	(28)
Telecommunications	818	391	428
Program Oversight	2,056	1,189	867
Total Revenue Requirement	\$ 10,218	\$ 9,794	\$ 424

1

2

3 **Q. What capital costs are included in the updated year one estimated revenue**
4 **requirements?**

5 **A.** Year one capital costs include projected capital additions for Advanced Metering
6 Infrastructure (“AMI”), Cybersecurity, Data Management & Architecture, and
7 Telecommunications. Please see PNM Table TSB-3 below for a summary of year
8 one estimated capital additions, along with a reference to the PNM witness that
9 supports the estimated capital costs.

10

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PNM Table TSB-3 Grid Modernization Capital Clearings by Project (\$ in thousands)						
	Year 1 Updated	Year 1 Approved	Year 1 Change	Witness		
ADMS	\$ -	\$ -	\$ -	PNM witness Hawkins		
Advanced Metering						
Meter Installation Costs	-	-	-	PNM witness Morgan		
Meter and Meter Infrastructure Costs	18,522	1,685	16,837	PNM witness Hawkins		
Total Advanced Metering	18,522	1,685	16,837			
Customer Information & Analytics	-	-	-	PNM witness Hawkins		
Cybersecurity	79	69	10	PNM witness Hawkins		
Data Management & Architecture	5,311	2,865	2,446	PNM witness Hawkins		
Distribution Automation						
Dist. Automation Communications Equipment	-	4,153	(4,153)	PNM witness Hawkins		
Switches and Devices	-	-	-	PNM witness Hawkins		
Total Distribution Automation	-	4,153	(4,153)			
Distribution Planning & Engineering	-	-	-	PNM witness Hawkins		
Telecommunications	3,307	183	3,124	PNM witness Hawkins		
Total Grid Modernization Capital Clearings	\$ 27,219	\$ 8,954	\$ 18,264			

1

2

3 **Q. What O&M costs are included in the updated year one estimated revenue**
4 **requirements?**

5 **A.** Year one O&M costs include projected O&M expenses for advanced distribution
6 management system (“ADMS”), AMI, Customer Information & Analytics, Data
7 Management & Architecture, Distribution Automation, Distribution Planning &
8 Engineering, Telecommunications, and Program Oversight. Please see PNM Table

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1 TSB-4 below for a summary of year one estimated O&M expense, along with a
2 reference to the PNM witness that supports the estimated costs.

PNM Table TSB-4 Grid Modernization O&M Expense by Project (\$ in thousands)				
	Year 1 Updated	Year 1 Approved	Year 1 Change	Witness
ADMS	\$ 133	\$ 819	\$ (686)	PNM witness Hawkins
Advanced Metering				
Meter Readers Costs and Savings	560	800	(240)	PNM witness Morgan
Meter and Software Costs	1,827	3,739	(1,912)	PNM witness Hawkins
Call Center Support	-	-	-	PNM witness Hawkins
AMI Marketing	1,165	1,165	-	PNM witness Hawkins
Total Advanced Metering	3,552	5,704	(2,152)	
Customer Information & Analytics	1,146	-	1,146	PNM witness Hawkins
Cybersecurity	-	-	-	PNM witness Hawkins
Data Management & Architecture	1,105	1,105	-	PNM witness Hawkins
Distribution Automation	10	10	-	PNM witness Hawkins
Distribution Planning & Engineering	382	382	-	PNM witness Hawkins
Program Oversight	2,045	1,183	863	PNM witness Hawkins
Telecommunications	383	383	-	PNM witness Hawkins
Total Grid Modernization O&M	\$ 8,757	\$ 9,587	\$ (830)	

4

5 **Q. Please describe the primary drivers for the variance between the year one**
6 **approved GMR estimated revenue requirement and the updated GMR**
7 **estimated revenue requirement in PNM Exhibit TSB-2?**

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1 **A.** As shown on PNM Tables TSB-3 and TSB-4 above, the increase in the year one
2 GMR revenue requirement is primarily driven by the acceleration of AMI capital
3 work and Customer Information & Analytics O&M, mostly offset with O&M
4 savings related to AMI meter and software costs. Part of the increase in year one
5 AMI capital is the result of shifting software costs from O&M expense to capital
6 plant in service. The ability to capitalize AMI Software costs provides the majority
7 of O&M savings that offset the higher return on and return of capital in year one.
8 The higher Customer Information & Analytics O&M is the result of higher support
9 costs for the customer energy management platform (“CEMP”) and Mobile App.
10 Please refer to the Direct Testimony of PNM witnesses Jones and Hawkins for
11 further discussion on the changes in estimated AMI and Customer Information &
12 Analytics program costs.

13

14 **Q.** **Why is PNM capitalizing the software costs?**

15 **A.** Pursuant to Generally Accepted Accounting Principles (“GAAP”), specifically
16 FASB ASC 350-40-25-14 and ASC 350-40-15-14(A), in year one the software will
17 be substantially complete and ready for the intended use with limited modifications,
18 and is therefore capitalized as plant in service rather than expensed annually as
19 O&M. Please refer to the Direct Testimony of PNM witness Hawkins for further
20 discussion on the software.

21

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1 **B. Year Two Revenue Requirements**

2 **Q. Please present the updated estimated revenue requirement for year two that**
3 **PNM is seeking approval for in this compliance filing.**

4 **A. Please see PNM Table TSB-5 below for the estimated year two GMR revenue**
5 **requirement by GMR program. Please see PNM Exhibit TSB-3 for the detail**
6 **calculation of the year two GMR monthly revenue requirement.**

PNM Table TSB-5				
Grid Modernization Revenue Requirements by Project				
(\$ in thousands)				
	Year 2 Updated	Year 2	Year 2 Change	
ADMS	\$ 134	\$ 335	\$ (201)	
Advanced Metering	8,853	9,533	(679)	
Customer Information & Analytics	1,319	1,466	(147)	
Cybersecurity	263	469	(206)	
Data Management & Architecture	2,764	2,571	193	
Distribution Planning & Engineering	624	624	-	
Distribution Automation	2,065	2,260	(195)	
Telecommunications	1,390	497	892	
Program Oversight	2,160	1,241	919	
Total Revenue Requirement	\$ 19,571	\$ 18,996	\$ 576	

8

9 **Q. What capital costs are included in the updated year two estimated revenue**
10 **requirements?**

11 **A. Year two estimated capital costs include a continuation of capital additions for**
12 **programs in year one. Additionally, estimated year two capital costs are expected**
13 **to be incurred for Customer Information & Analytics and Distribution Automation.**
14 **Please see PNM Table TSB-6 for a summary of year two estimated capital**

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1 additions, along with a reference to the PNM witness that supports the estimated
2 capital costs.

3

PNM Table TSB-6 Grid Modernization Capital Clearings by Project (\$ in thousands)					
	Year 2 Updated	Year 2	Year 2 Change	Witness	
ADMS	\$ -	\$ -	\$ -	PNM witness Hawkins	
Advanced Metering					
Meter Installation Costs	345	8,711	(8,366)	PNM witness Morgan	
Meter and Meter Infrastructure Costs	38,275	39,583	(1,308)	PNM witness Hawkins	
Total Advanced Metering	38,620	48,295	(9,674)		
Customer Information & Analytics	4,083	522	3,561	PNM witness Hawkins	
Cybersecurity	4,541	4,062	479	PNM witness Hawkins	
Data Management & Architecture	1,970	1,579	391	PNM witness Hawkins	
Distribution Automation					
Dist. Automation Communications Equipment	9,271	4,217	5,055	PNM witness Hawkins	
Switches and Devices	13,158	11,968	1,189	PNM witness Hawkins	
Total Distribution Automation	22,429	16,185	6,244		
Distribution Planning & Engineering	-	-	-	PNM witness Hawkins	
Telecommunications	9,546	7,881	1,665	PNM witness Hawkins	
Total Grid Modernization Capital Clearings	\$ 81,189	\$ 78,524	\$ 2,665		

4

5

6 **Q. What O&M costs are included in the updated year two estimated revenue**
7 **requirements?**

8 **A.** Year two estimated O&M costs include a continuation of O&M for programs in
9 year one. Additionally, estimated year two O&M expenses are expected to be

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1 incurred for the Cybersecurity program. Please see PNM Table TSB-7 below for a
2 summary of year two estimated O&M expense, along with a reference to the PNM
3 witness that supports the estimated costs.

4

PNM Table TSB-7 Grid Modernization O&M Expense by Project (\$ in thousands)				
	Year 2 Updated	Year 2	Year 2 Change	Witness
ADMS	\$ 133	\$ 333	\$ (200)	PNM witness Hawkins
Advanced Metering				
Meter Readers Costs and Savings	671	911	(240)	PNM witness Morgan
Meter and Software Costs	1,772	3,831	(2,059)	PNM witness Hawkins
Call Center Support	496	496	-	PNM witness Hawkins
AMI Marketing	1,172	1,172	-	PNM witness Hawkins
Total Advanced Metering	4,112	6,411	(2,299)	
Customer Information & Analytics	1,165	1,390	(226)	PNM witness Hawkins
Cybersecurity	217	217	-	PNM witness Hawkins
Data Management & Architecture	1,853	1,853	-	PNM witness Hawkins
Distribution Automation	618	618	-	PNM witness Hawkins
Distribution Planning & Engineering	621	621	-	PNM witness Hawkins
Program Oversight	2,149	1,235	914	PNM witness Hawkins
Telecommunications	400	400	-	PNM witness Hawkins
Total Grid Modernization O&M	\$ 11,268	\$ 13,079	\$ (1,811)	

6

7 **Q. Please describe the drivers for the variance between the year two GMR**
8 **estimated revenue requirement that PNM presented in its application in Case**

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1 **No. 22-00058-UT and the updated estimated GMR revenue requirement**
2 **shown in PNM Exhibit TSB-3?**

3 **A.** The increase in the GMR revenue requirement in year two is primarily driven by
4 higher capital costs for Telecommunications and higher Program Oversight O&M
5 expenses. The acceleration of AMI capital work is more than offset with lower AMI
6 O&M expense, as discussed earlier in my testimony and further by PNM witness
7 Hawkins. Please see the Direct Testimony of PNM witness Hawkins for further
8 details on the increase in the Telecommunications capital costs and Program
9 Oversight O&M expense in year two.

10

11 ***C. Years Three through Six Revenue Requirements***

12 **Q.** **Please present the updated estimated revenue requirement for years three**
13 **through six.**

14 **A.** Please see PNM table TSB-8 for the updated years three through six estimated
15 revenue requirement for each grid modernization program. Please also see PNM
16 Exhibit TSB-4 for the detailed calculation of the years three through six GMR
17 revenue requirements.

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PNM Table TSB-8 Grid Modernization Revenue Requirements by Project (\$ in thousands)												
	Update				Original Application				Change			
	Year 3	Year 4	Year 5	Year 6	Year 3	Year 4	Year 5	Year 6	Year 3	Year 4	Year 5	Year 6
ADMS	\$ 838	\$ 1,456	\$ 3,230	\$ 4,408	\$ 838	\$ 1,782	\$ 3,181	\$ 5,022	\$ -	\$ (326)	\$ 49	\$ (614)
Advanced Metering	16,975	22,312	22,285	18,048	18,586	24,198	22,755	17,928	(1,611)	(1,886)	(470)	120
Customer Info. & Analytics	2,280	2,624	2,802	2,786	1,501	1,509	1,521	1,534	779	1,115	1,281	1,252
Cybersecurity	1,050	1,035	1,047	1,042	969	961	977	967	81	74	70	76
Data Mgmt. & Architecture	3,200	3,418	3,710	3,934	2,870	3,275	3,372	3,412	330	143	338	521
Distribution Planning & Eng.	757	1,504	2,243	2,151	817	1,815	2,184	2,097	(59)	(311)	59	54
Distribution Automation	5,003	7,040	9,149	11,346	4,769	6,717	8,761	10,855	234	323	388	491
Telecommunications	3,298	4,314	5,146	5,956	2,779	3,882	4,962	5,990	519	432	184	(33)
Program Oversight	1,296	1,354	1,414	1,476	1,296	1,354	1,414	1,476	-	-	-	-
Total Revenue Requirement	\$ 34,697	\$ 45,057	\$ 51,027	\$ 51,148	\$ 34,424	\$ 45,493	\$ 49,127	\$ 49,281	\$ 273	\$ (435)	\$ 1,900	\$ 1,867

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3

4 **Q. What capital costs are included in the updated years three through six**
5 **estimated revenue requirements?**

6 **A.** Please see PNM Table TSB-9 below for a summary of estimated capital additions
7 by program for years three through six.

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PNM Table TSB-9 Grid Modernization Capital Clearings by Project (\$ in thousands)												
	Update				Original Application				Change			
	Year 3	Year 4	Year 5	Year 6	Year 3	Year 4	Year 5	Year 6	Year 3	Year 4	Year 5	Year 6
ADMS	\$ -	\$ 7,570	\$ -	\$15,394	\$ -	\$ 7,572	\$ -	\$15,400	\$ -	\$ (3)	\$ -	\$ (6)
Advanced Metering												
Meter Installation	13,666	13,691	-	-	18,056	16,339	-	-	(4,390)	(2,648)	-	-
Meter & Meter Infrastructure	51,493	35,856	8,173	-	45,400	39,469	1,723	-	6,093	(3,613)	6,450	-
Total Advanced Metering	65,159	49,548	8,173	-	63,456	55,808	1,723	-	1,703	(6,261)	6,450	-
Customer Info. & Analytics	291	1,749	-	-	-	-	-	-	291	1,749	-	-
Cybersecurity	209	209	213	-	211	210	217	-	(2)	(1)	(4)	-
Data Mgmt. & Architecture	1,214	1,101	2,201	-	1,091	1,090	-	-	123	11	2,201	-
Distribution Automation												
Dist. Auto. Comm. Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Switches and Devices	16,137	16,652	17,436	18,143	16,151	16,620	17,661	17,930	(14)	32	(226)	213
Total Distribution Automation	16,137	16,652	17,436	18,143	16,151	16,620	17,661	17,930	(14)	32	(226)	213
Distribution Planning & Eng.	1,391	7,464	-	-	1,386	7,459	-	-	5	5	-	-
Telecommunications	8,816	6,521	6,629	6,688	8,035	8,071	8,327	8,198	782	(1,550)	(1,698)	(1,510)
Total Capital Clearings	\$93,217	\$90,813	\$34,651	\$40,225	\$90,329	\$96,832	\$27,928	\$41,528	\$2,888	\$(6,018)	\$6,723	\$(1,303)

1

2

3 **Q. What O&M costs are included in the years three through six revenue**
4 **requirements?**

5 **A. Please see PNM Table TSB-10 below for a summary of estimated O&M expense**
6 **by program for years three through six.**

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PNM Table TSB-10 Grid Modernization O&M Expense by Project (\$ in thousands)												
	Update				Original Application				Change			
	Year 3	Year 4	Year 5	Year 6	Year 3	Year 4	Year 5	Year 6	Year 3	Year 4	Year 5	Year 6
ADMS	\$ 833	\$ 858	\$ 1,885	\$ 1,962	\$ 833	\$ 858	\$ 1,885	\$ 1,962	\$ -	\$ -	\$ -	\$ -
Advanced Metering												
Meter Reader Costs & Savings	(848)	(2,750)	(4,679)	(6,798)	(848)	(2,750)	(4,679)	(6,798)	-	-	-	-
Meter and Software	1,802	1,888	1,851	1,870	4,068	4,357	4,325	4,380	(2,266)	(2,469)	(2,474)	(2,510)
Call Center Support	518	540	563	-	518	540	563	-	-	-	-	-
AMI Marketing	1,180	1,188	1,196	-	1,180	1,188	1,196	-	-	-	-	-
Total Advanced Metering	2,651	866	(1,069)	(4,928)	4,917	3,334	1,405	(2,418)	(2,266)	(2,469)	(2,474)	(2,510)
Customer Info. & Analytics	1,532	1,768	1,808	1,849	1,405	1,420	1,436	1,453	127	348	372	397
Cybersecurity	228	240	252	264	228	240	252	264	-	-	-	-
Data Mgmt & Architecture	1,988	2,066	2,148	2,233	1,988	2,250	2,340	2,435	-	(183)	(193)	(202)
Distribution Automation	742	893	1,083	1,325	742	893	1,083	1,325	-	-	-	-
Distribution Planning & Eng.	645	671	697	724	645	671	697	724	-	-	-	-
Program Oversight	1,290	1,347	1,407	1,469	1,290	1,347	1,407	1,469	-	-	-	-
Telecommunications	765	799	834	871	765	799	834	871	-	-	-	-
Total O&M	\$10,674	\$ 9,507	\$ 9,044	\$ 5,769	\$12,813	\$11,812	\$11,338	\$ 8,085	\$ (2,139)	\$ (2,305)	\$ (2,294)	\$ (2,316)

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4 **Q. Please describe the drivers for the variance between years three through six**
5 **GMR revenue requirement that PNM had presented in its application in Case**
6 **No. 22-00058-UT and the updated estimated revenue requirement shown in**
7 **PNM Exhibit TSB-3?**

8 **A.** The increase in the estimated GMR revenue requirement for years three through six
9 is primarily driven by higher capital costs for AMI, Customer Information &
10 Analytics, and Data Management & Architecture programs, partially offset with
11 lower software O&M expense related to AMI. Please see the Direct Testimony of

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PNM witness Hawkins for detail discussion on AMI, Customer Information & Analytics and Data Management & Architecture program related costs.

III. OUTLINE FOR FUTURE FILINGS

Q. When does PNM plan to file subsequent annual compliance and reconciliation filings?

A. PNM plans to file two separate annual compliance filings on March 1 of each year for the six-year Grid Modernization Plan. The first filing (“Reconciliation filing”) will request approval to set a GMR rate effective April 1st. The filing will reflect the revenue requirement based on actual costs incurred in the most recent calendar year, along with an over/under for the prior year actual GMR collections.

The second filing (“Compliance filing”) will provide the Commission with PNM’s updated estimated revenue requirement for the next Grid Modernization Plan year along with the remaining years of the six-year Grid Modernization plan.

Q. Why will PNM file the reconciliation and updated projections separately?

A. PNM will file the Reconciliation and Compliance filings separately in order to implement rates on April 1st, while still allowing the Commission, NMPRC Technical Staff, and intervenors adequate time to review the reasonableness of PNM’s updated projected costs in the Compliance filing.

**DIRECT TESTIMONY
OF THOMAS S. BAKER
NMPRC CASE NO. 25-00___-UT**

1 **Q. Does PNM believe filing 30 days in advance of April 1 is adequate for the**
2 **reconciliation filing?**

3 **A.** Yes. Because the Commission would have already reviewed the projected costs in
4 the prior year, and deemed the cost reasonable, the Reconciliation filing is just a
5 review of actual costs compared to the projected costs. Unless actual costs are
6 significantly different than the projections approved by the Commission in the
7 annual Compliance filings, the reconciliation filing should not be an opportunity to
8 relitigate costs that the Commission has already deemed reasonable.

9

10 The 30-day lead time PNM is requesting is consistent with 17.1.2.10(B)(1) NMAC,
11 which states, “proceedings involving new rates shall be initiated by advice notice
12 notifying the commission of the utility’s intent to implement new rates by a certain
13 date which may not be less than 30 days after the filing of such notice.”
14 Additionally, this approach is similar to PNM’s Energy Transition Act rider (Rider
15 No. 51) and PNM’s Fuel and Purchased Power Cost Adjustment Clause rider
16 (FPPCAC Rider No. 23).

17

18 **Q. How will the GMR over/under be calculated?**

19 **A.** PNM will compare the actual revenue requirement for a calendar year to actual
20 collections during the applicable recovery period (April 1 – March 30).

21

**DIRECT TESTIMONY
OF THOMAS S. BAKER
NMPRC CASE NO. 25-00___-UT**

The true up to actual collections will result in an over or under collection and will be included with the actual revenue requirement utilized to set the GMR rate for the next rate period.

Q. Please provide an example of when the over/under will be reflected in the GMR rate.

A. On March 1, 2026, PNM will establish a GMR rate to be effective between April 1, 2026, and March 31, 2027, to recover actual costs incurred between January 1, 2025, and December 31, 2025. On March 1, 2027, PNM will file for a rate to be effective April 1, 2027, to collect actual costs between January 2026 and December 2026. The April 1, 2027 rate will not include an over/under because actual collections between April 2026 and March 2027 will not be known at that time. When PNM files in March 2028 for rates effective April 2028, PNM will then include the over/under for collections during the rate period April 2026 – March 2027. Please see PNM Table TSB-11 below for an illustrative filing schedule for the six-year Grid Modernization plan.

PNM Table TSB-11						
Grid Modernization Rider Proposed Timeline for Filings and Updates						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Historical Cost Period	1/1/25-12/31/25	1/1/26-12/31/26	1/1/27-12/31/27	1/1/28-12/31/28	1/1/29-12/31/29	1/1/30-12/31/30
Req Approval - Est. Revenue Req.	(Note 1)	June 20, 2025	March 1, 2026	March 1, 2027	March 1, 2028	March 1, 2029
File for Approval of Rate	March 1, 2026	March 1, 2027	March 1, 2028	March 1, 2029	March 1, 2030	March 1, 2031
Rate Effective Date	April 1, 2026	April 1, 2027	April 1, 2028	April 1, 2029	April 1, 2030	April 1, 2031
Rate Period	4/1/26 - 3/31/27	4/1/27 - 3/31/28	4/1/28 - 3/31/29	4/1/29 - 3/31/30	4/1/30 - 3/31/31	4/1/31 - 3/31/32
Over/Under Collection Incl. in Rate	N/A	N/A	Year 1	Year 2	Year 3	Year 4
Note - Year 1 revenue requirement approved in the final order to PNM's initial GMR application						

**DIRECT TESTIMONY
OF THOMAS S. BAKER
NMPRC CASE NO. 25-00___-UT**

1 **Q. When is PNM requesting the commission approve the GMR rate and the**
2 **updated projected costs requested in the annual compliance?**

3 **A.**For years that PNM will request approval of a GMR rate, PNM is requesting the
4 Commission approve the GMR rate prior to the proposed effective date of April 1st.
5 PNM is also requesting that the Commission approve the reasonableness of the
6 projected revenue requirement by September 30th each year. This will allow PNM
7 time to appropriately plan the execution of capital and O&M work for the upcoming
8 year if the Commission approves a revenue requirement different from what PNM
9 proposes.

10

11 **Q. What commission approval is PNM requesting in this case?**

12 **A.**PNM is requesting the Commission approve the reasonableness of PNM's year two
13 (2026) estimated revenue requirement, as reflected in PNM Exhibit TSB-3.

14

15 PNM is not requesting to set a GMR rate in this compliance filing since the year
16 one (2025) actual revenue requirement is not known at this time. PNM will request
17 approval of a GMR rate by March 1, 2026 (to be effective April 1, 2026), for actual
18 costs incurred between January 2025 – December 2025.

19

20 **Q. Has PNM estimated GMR rates for year one and year two estimated revenue**
21 **requirements?**

22 **A.**Yes. PNM witness Pitts has estimated GMR rates based on the estimated revenue
23 requirement reflected in PNM Exhibit TSB-2 and PNM Exhibit TSB-3. Please see

**DIRECT TESTIMONY
OF THOMAS S. BAKER
NMPRC CASE NO. 25-00___-UT**

1 the direct testimony of PNM witness Pitts for further discussion on the estimated
2 GMR rates.

3

4 **Q.** **Does this conclude your testimony?**

5 **A.** Yes, it does.

GCG#533868

Thomas S. Baker's Resume

PNM Exhibit TSB-1

Is contained in the following 3 pages.

THOMAS S. BAKER
EDUCATIONAL AND PROFESSIONAL SUMMARY

Name: Thomas S. Baker

Address: PNMR Services Company
MS 0915
414 Silver SW
Albuquerque, NM 87102

Position: Sr. Manager, Cost of Service

Education: Masters of Accountancy, New Mexico State University, 2014
Bachelor of Accountancy, New Mexico State University, 2011
Certified Public Accountant in the State of New Mexico, July 2016

Employment: Employed by PNMR Services Company since 2014.
Positions held within the Company include:

- Sr. Manager, Cost of Service
- Sr. Manager, Corporate Budget and Cost of Service
- Manager, Cost of Service
- Project Manager, Cost of Service
- Sr. Analyst, Cost of Service
- Sr. Analyst, Income Tax

Filed Testimony:

- In the Matter of the Application of Public Service Company of New Mexico for Approval of Renewable Energy Rider No. 36 Pursuant to Advice Notice No. 439 and for Variances from Certain Filing Requirements, NMPRC Case No. 12-00007-UT, filed February 28, 2018 (*PNM's Rider No. 36 Reconciliation for 2017.*)
- In the Matter of the Application of Public Service Company of New Mexico Renewable Energy Act Plan for 2019 and Proposed 2019 Rider Rate Under Rate Rider No. 36, NMPRC Case No. 18-00158-UT, filed June 1, 2018 (*PNM's Renewable Rider Plan for 2019.*)
- In the Matter of the Application of Public Service Company of New Mexico for Approval of Renewable Energy Rider No. 36 Pursuant to Advice Notice No. 439 and for Variances from Certain Filing Requirements, NMPRC Case No. 12-00007-UT, filed February 28, 2019 (*PNM's Rider No. 36 Reconciliation for 2018.*)
- In the Matter of the Application of Public Service Company of New Mexico Renewable Energy Act Plan for 2020 and Proposed 2020 Rider Rate Under Rate Rider No. 36, NMPRC Case No. 19-00159-UT, filed June 1, 2019 (*PNM's Renewable Rider Plan for 2020.*)

- Application of Texas-New Mexico Power Company for Interim Update of Wholesale Transmission Rates, Docket No. 49785, filed July 23, 2019 (*TNMP TCOS Update.*)
- Application of Texas-New Mexico Power Company for Interim Update of Wholesale Transmission Rates, Docket No. 50481, filed January 24, 2020 (*TNMP TCOS Update.*)
- In the Matter of the Application of Public Service Company of New Mexico for Approval of Renewable Energy Rider No. 36 Pursuant to Advice Notice No. 439 and for Variances from Certain Filing Requirements, NMPRC Case No. 12-00007-UT, filed February 28, 2020 (*PNM's Rider No. 36 Reconciliation for 2019.*)
- In the Matter of the Application of Public Service Company of New Mexico Renewable Energy Act Plan for 2021 and Proposed 2021 Rider Rate Under Rate Rider No. 36, NMPRC Case No. 20-00124-UT, filed June 1, 2020 (*PNM's Renewable Rider Plan for 2021.*)
- Application of Texas-New Mexico Power Company for Interim Update of Wholesale Transmission Rates, Docket No. 51107, filed July 24, 2020 (*TNMP TCOS Update.*)
- In the Matter of the Application of Public Service Company of New Mexico for Approval of Renewable Power Agreements and Energy Storage Agreements and Proposal for Demand Response Plan Pursuant to Final Order in Case No. 19-00195-UT, NMPRC Case No. 20-00182-UT, filed September 28, 2020.
- In the Matter of the Application of Public Service Company of New Mexico for Approval of the Abandonment of the Four Corners Power Plant and Issuance of a Securitized Financing Order, NMPRC Case No. 21-00017-UT, filed January 8, 2021.
- Application of Texas-New Mexico Power Company for Interim Update of Wholesale Transmission Rates, Docket No. 51752, filed January 22, 2021 (*TNMP TCOS Update.*)
- In the Matter of the Application of Public Service Company of New Mexico for Approval of Renewable Energy Rider No. 36 Pursuant to Advice Notice No. 439 and for Variances from Certain Filing Requirements, NMPRC Case No. 12-00007-UT, filed February 26, 2021 (*PNM's Rider No. 36 Reconciliation for 2020.*)
- In the Matter of the Application of Public Service Company of New Mexico Renewable Energy Act Plan for 2022 and Proposed 2022 Rider Rate Under Rate Rider No. 36, NMPRC Case No. 21-00143-UT, filed June 1, 2021 (*PNM's Renewable Rider Plan for 2022.*)
- Application of Texas-New Mexico Power Company for Interim Update of Wholesale Transmission Rates, Docket No. 52347, filed July 23, 2021 (*TNMP TCOS Update*)
- Application of Texas-New Mexico Power Company for Interim Update of Wholesale Transmission Rates, Docket No. 53146, filed January 26, 2022 (*TNMP TCOS Update.*)
- In the Matter of the Application of Public Service Company of New Mexico for Approval of Renewable Energy Rider No. 36 Pursuant to Advice Notice No. 439 and for Variances from Certain Filing Requirements, NMPRC Case No. 12-00007-UT, filed February 28, 2022 (*PNM's Rider No. 36 Reconciliation for 2021.*)
- Application of Texas-New Mexico Power Company to Amend Its Distribution Cost Recovery Factor, Docket No. 53436, filed April 5, 2022 (*TNMP 2022 DCRF.*)
- In the Matter of the Application of Public Service Company of New Mexico Renewable Energy Act Plan for 2023 and Proposed 2023 Rider Rate Under Rate Rider No. 36, NMPRC Case No. 22-00143-UT, filed June 1, 2022 (*PNM's Renewable Rider Plan for 2023.*)

- In the Matter of the Application of Public Service Company of New Mexico for Approval of Renewable Energy Rider No. 36 Pursuant to Advice Notice No. 439 and for Variances from Certain Filing Requirements, NMPRC Case No. 12-00007-UT, filed February 28, 2023 (*PNM's Rider No. 36 Reconciliation for 2022.*)
- Application of Texas-New Mexico Power Company to Amend Its Distribution Cost Recovery Factor, Docket No. 54807, filed April 5, 2023 (*TNMP 2022 DCRF.*)
- In the Matter of the Application of Public Service Company of New Mexico Renewable Energy Act Plan for 2024 and Proposed 2024 Rider Rate Under Rate Rider No. 36, NMPRC Case No. 23-00196-UT, filed June 1, 2023 (*PNM's Renewable Rider Plan for 2024.*)
- Application of Texas-New Mexico Power Company to Amend Its Distribution Cost Recovery Factor, Docket No. 56428, filed April 1, 2024 (*TNMP 2023 DCRF.*)
- Application of Texas-New Mexico Power Company to Amend Its Transmission Cost Recovery Factor, Docket No. 56860, filed July 25, 2024 (*TNMP TCOS update.*)
- In the Matter of the Application of Public Service Company of New Mexico Renewable Energy Act Plan for 2025 and Proposed 2025 Rider Rate Under Rate Rider No. 36, NMPRC Case No. 24-00207-UT, filed June 3, 2024 (*PNM's Renewable Rider Plan for 2025.*)
- Application of Texas-New Mexico Power Company to Amend Its Distribution Cost Recovery Factor, Docket No. 56887, filed July 30, 2024 (*TNMP 2024 DCRF.*)

GCG#533867

Estimated Grid Modernization Year One Monthly Revenue
Requirement by Project

PNM Exhibit TSB-2

Is contained in the following 33 pages.

PNM Exhibit TSB-2		
Estimated Grid Modernization Year One Monthly Revenue Requirement by Project		
2025		
Table of Contents		
Title	Description	Page Reference
2025 Estimated Revenue Requirement	Estimated 2025 Revenue Requirement Calculation for the total Grid Modernization Rider	Page 2-4
WP ADMS	Estimated 2025 Revenue Requirement Calculation Associated with ADMS Project	Pages 5-7
WP Advanced Metering	Estimated 2025 Revenue Requirement Calculation Associated with Advanced Metering Project	Pages 8-10
WP Customer Information & Analytics	Estimated 2025 Revenue Requirement Calculation Associated with Customer Information & Analytics Project	Pages 11-13
WP Cybersecurity	Estimated 2025 Revenue Requirement Calculation Associated with Cybersecurity Project	Pages 14-16
WP Data Management & Architecture	Estimated 2025 Revenue Requirement Calculation Associated with Data Management & Architecture Project	Pages 17-19
WP Distribution Planning & Engineering	Estimated 2025 Revenue Requirement Calculation Associated with Distribution Planning & Engineering Project	Pages 20-22
WP Distribution Automation	Estimated 2025 Revenue Requirement Calculation Associated with Distribution Automation Project	Pages 23-25
WP Telecommunications	Estimated 2025 Revenue Requirement Calculation Associated with Telecommunications Project	Pages 26-28
WP Project Oversight	Estimated 2025 Revenue Requirement Calculation Associated with Project Oversight Project	Pages 29-31
WP WACC	PNM Recently Approved Weighted Average Cost of Capital	Page 32
WP Rate Assumption	PNM Assumptions for Depreciation and Property Taxes	Page 33

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																
2	Total Estimated Grid Modernization Year One Monthly Revenue Requirement																
3	All Projects																
4																	
5				Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
6	Gross Plant																
10	Production Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
11																	
12	Distribution Plant																
16	Distribution Plant - Meters			-	-	-	-	-	-	-	-	-	-	-	2,789,637	3,409,560	3,409,560
21	Distribution Plant - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Total Distribution Plant			-	-	-	-	-	-	-	-	-	-	-	2,789,637	3,409,560	3,409,560
23																	
27	Transmission Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
28																	
29	General & Intangible Plant																
33	G&I - Software			-	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	14,753,924	16,301,278	16,301,278
38	G&I Plant - Other			-	3,101,205	3,119,919	3,138,632	3,157,345	3,176,059	3,194,772	3,213,485	3,232,198	3,250,912	4,039,050	6,393,811	7,507,844	7,507,844
39	Total General & Intangible Plant			-	6,618,074	6,636,787	6,655,501	6,674,214	6,692,927	6,711,641	6,730,354	6,749,067	6,767,781	7,555,919	21,147,735	23,809,122	23,809,122
40																	
41	Total Gross Plant			-	6,618,074	6,636,787	6,655,501	6,674,214	6,692,927	6,711,641	6,730,354	6,749,067	6,767,781	7,555,919	23,937,372	27,218,682	27,218,682
42																	
43	Accumulated Depreciation																
47	Production Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
48																	
49	Distribution Plant																
53	Distribution Plant - Meters			-	-	-	-	-	-	-	-	-	-	-	-	(11,623)	(11,623)
58	Distribution Plant - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
59	Total Distribution Plant			-	-	-	-	-	-	-	-	-	-	-	-	(11,623)	(11,623)
60																	
64	Transmission Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
65																	
66	General & Intangible Plant																
70	G&I - Software			-	-	(29,307)	(58,614)	(87,922)	(117,229)	(146,536)	(175,843)	(205,151)	(234,458)	(263,765)	(293,072)	(416,022)	(416,022)
75	G&I Plant - Other			-	-	(14,568)	(29,223)	(43,967)	(58,798)	(73,718)	(88,725)	(103,820)	(119,003)	(134,274)	(153,248)	(183,282)	(183,282)
76	Total General & Intangible Plant			-	-	(43,875)	(87,838)	(131,889)	(176,027)	(220,254)	(264,569)	(308,971)	(353,461)	(398,040)	(446,320)	(599,304)	(599,304)
77																	
78	Total Accumulated Depreciation			-</													

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	Total Estimated Grid Modernization Year One Monthly Revenue Requirement																	
3	All Projects																	
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
153	O&M																	
154				Production O&M	-	-	-	-	-	-	-	-	-	-	-	-	-	-
155																		
156				Distribution O&M														
157				Meters	-	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	192,036	2,227,427
158				Other	-	104,531	104,531	104,531	104,531	104,531	104,531	104,531	104,531	104,531	104,531	104,531	104,531	1,254,376
159				Total Distribution O&M		289,567	289,567	289,567	289,567	289,567	289,567	289,567	289,567	289,567	289,567	289,567	296,567	3,481,803
160																		
161				Transmission O&M	-	-	-	-	-	-	-	-	-	-	-	-	-	-
162																		
163				General & Intangible O&M														
164				Software	-	1,346,817	95,614	95,614	99,389	95,614	95,614	117,836	117,836	117,836	117,836	117,836	117,836	2,535,676
165				Other	-	123,936	123,936	123,936	123,936	123,936	123,936	123,936	123,936	123,936	123,936	123,936	193,326	1,556,626
166				Total General & Intangible O&M		1,470,753	219,550	219,550	223,326	219,550	219,550	241,772	241,772	241,772	241,772	241,772	311,162	4,092,302
167																		
168				A&G	-	98,572	98,572	98,572	98,572	98,572	98,572	98,572	98,572	98,572	98,572	98,572	98,572	1,182,863
169																		
170				Total O&M		1,858,892	607,689	607,689	611,464	607,689	607,689	629,911	629,911	629,911	629,911	629,911	706,301	8,756,968
171																		
172	Depreciation Expense																	
176				Production Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
177																		
178				Distribution Depreciation Expense														
182				Distribution Depreciation Expense - Meters	-	-	-	-	-	-	-	-	-	-	-	-	11,623	11,623
187				Distribution Depreciation Expense - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
188				Distribution Depreciation Expense Total	-	-	-	-	-	-	-	-	-	-	-	-	11,623	11,623
189																		
193				Total Transmission Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
194																		
195				General & Int														

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																
2	Total Estimated Grid Modernization Year One Monthly Revenue Requirement																
3	All Projects																
4																	Year 1*
5				Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	2025
226	Federal Income Tax																
227	Return Adjustments																
228			Interest	-	(11,298)	(11,222)	(11,146)	(11,069)	(10,993)	(10,847)	(10,700)	(10,554)	(10,407)	(11,568)	(38,623)	(42,791)	(191,218)
229																	
230	Tax/Book Adjustments																
231			AFUDC Equity Flow Through	-	-	1,655	1,659	1,662	1,665	1,669	1,672	1,675	1,679	1,682	1,822	6,210	23,049
232			R&D Credit Flow Through														
233			ITC Flow Through	-	-			-	-	-	-	-	-	-	-	-	-
234			Total Permanent Differences	-	-	1,655	1,659	1,662	1,665	1,669	1,672	1,675	1,679	1,682	1,822	6,210	23,049
235			Depreciation and AFUDC Debt		(238,471)	(74,875)	(74,967)	(75,078)	(75,215)	(233,434)	(233,644)	(233,912)	(233,975)	(272,857)	(2,484,482)	(2,745,153)	(6,976,063)
236			Deferred State Income Tax	-	13,286	4,171	4,177	4,183	4,190	13,005	13,017	13,032	13,035	15,202	138,418	152,941	388,657
237			Total Temporary Differences	-	(225,185)	(70,703)	(70,790)	(70,896)	(71,024)	(220,429)	(220,627)	(220,881)	(220,940)	(257,655)	(2,346,064)	(2,592,212)	(6,587,406)
238			Amortization of EDFIT														
239			Deferred Federal Income Taxes	-	47,289	14,848	14,866	14,888	14,915	46,290	46,332	46,385	46,397	54,108	492,673	544,365	1,383,355
240																	
241			Net Taxable Equity Return	-	(151,495)	(27,976)	(28,220)	(28,479)	(28,756)	(147,124)	(147,619)	(148,159)	(148,546)	(174,833)	(1,761,317)	(1,941,644)	(4,734,168)
242			Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243			Total Current Federal Income Tax	-	(40,271)	(7,437)	(7,502)	(7,570)	(7,644)	(39,109)	(39,241)	(39,384)	(39,487)	(46,475)	(468,198)	(516,134)	(1,258,451)
244			Amortization of EDFIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
245			Total Provision for Federal Income Tax	-	47,289	14,848	14,866	14,888	14,915	46,290	46,332	46,385	46,397	54,108	492,673	544,365	1,383,355
246	Investment Tax Credits																
247			Investment Tax Credits														
248			R&D Credits														
249			Total Federal Income Tax	-	7,018	7,411	7,364	7,318	7,271	7,181	7,091	7,001	6,911	7,633	24,475	28,231	124,904
250																	
251	State Income Tax																
252			Net Current Taxable Equity Return	-	(191,765)	(35,413)	(35,722)	(36,049)	(36,401)	(186,233)	(186,860)	(187,543)	(188,032)	(221,307)	(2,229,515)	(2,457,778)	(5,992,619)
253			State Tax Rate	5.90%	5.90%	5.90%	5.90%										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP ADMS - Estimated Year 1 Revenue Requirement ADMS Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
6	Gross Plant																	
10				Production Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11																		
12				Distribution Plant														
16				Distribution Plant - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21				Distribution Plant - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22				Total Distribution Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23																		
27				Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28																		
29				General & Intangible Plant														
33				G&I - Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38				G&I Plant - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39				Total General & Intangible Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40																		
41				Total Gross Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42																		
43	Accumulated Depreciation																	
47				Production Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48																		
49				Distribution Plant														
53				Distribution Plant - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58				Distribution Plant - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59				Total Distribution Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60																		
64				Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65																		
66				General & Intangible Plant														
70				G&I - Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75				G&I Plant - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
76				Total General & Intangible Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
77																		
78				Total Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
79																		
80	ADIT																	
89				Total Production ADIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
90																		
91				Distribution ADIT														

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	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Advanced Metering - Estimated Year 1 Revenue Requirement Advanced Metering Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
6				Gross Plant														
10				Production Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11																		
12				Distribution Plant														
16				Distribution Plant - Meters	-	-	-	-	-	-	-	-	-	-	-	2,789,637	3,409,560	3,409,560
21				Distribution Plant - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22				Total Distribution Plant	-	-	-	-	-	-	-	-	-	-	-	2,789,637	3,409,560	3,409,560
23																		
27				Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28																		
29				General & Intangible Plant														
33				G&I - Software	-	-	-	-	-	-	-	-	-	-	-	11,237,055	11,237,055	11,237,055
38				G&I Plant - Other	-	-	-	-	-	-	-	-	-	-	769,425	3,105,473	3,874,898	3,874,898
39				Total General & Intangible Plant	-	-	-	-	-	-	-	-	-	-	769,425	14,342,527	15,111,952	15,111,952
40																		
41				Total Gross Plant	-	-	-	-	-	-	-	-	-	-	769,425	17,132,164	18,521,513	18,521,513
42																		
43				Accumulated Depreciation														
47				Production Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48																		
49				Distribution Plant														
53				Distribution Plant - Meters	-	-	-	-	-	-	-	-	-	-	-	-	(11,623)	(11,623)
58				Distribution Plant - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59				Total Distribution Plant	-	-	-	-	-	-	-	-	-	-	-	-	(11,623)	(11,623)
60																		
64				Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65																		
66				General & Intangible Plant														
70				G&I - Software	-	-	-	-	-	-	-	-	-	-	-	-	(93,642)	(93,642)
75				G&I Plant - Other	-	-	-	-	-	-	-	-	-	-	-	(3,614)	(18,202)	(18,202)
76				Total General & Intangible Plant	-	-	-	-	-	-	-	-	-	-	-	(3,614)	(111,844)	(111,844)
77																		
78				Total Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	(3,614)	(123,468)	(123,468)
79																		
80				ADIT														

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Advanced Metering - Estimated Year 1 Revenue Requirement Advanced Metering Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
153			O&M															
154			Production O&M		-	-	-	-	-	-	-	-	-	-	-	-	-	-
155																		
156			Distribution O&M															
157			Meters		185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	192,036	2,227,427
158			Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
159			Total Distribution O&M		185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	192,036	2,227,427
160																		
161			Transmission O&M		-	-	-	-	-	-	-	-	-	-	-	-	-	-
162																		
163			General & Intangible O&M															
164			Software		1,251,203	-	-	3,776	-	-	-	-	-	-	-	-	-	1,254,979
165			Other		-	-	-	-	-	-	-	-	-	-	-	-	69,390	69,390
166			Total General & Intangible O&M		1,251,203	-	-	3,776	-	-	-	-	-	-	-	-	69,390	1,324,369
167																		
168			A&G		-	-	-	-	-	-	-	-	-	-	-	-	-	-
169																		
170			Total O&M		1,436,239	185,036	185,036	188,811	185,036	185,036	185,036	185,036	185,036	185,036	185,036	185,036	261,426	3,551,796
171																		
172			Depreciation Expense															
176			Production Depreciation Expense		-	-	-	-	-	-	-	-	-	-	-	-	-	-
177																		
178			Distribution Depreciation Expense															
182			Distribution Depreciation Expense - Meters		-	-	-	-	-	-	-	-	-	-	-	-	11,623	11,623
187			Distribution Depreciation Expense - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
188			Distribution Depreciation Expense Total		-	-	-	-	-	-	-	-	-	-	-	-	11,623	11,623
189																		
193			Total Transmission Depreciation Expense		-	-	-	-	-	-	-	-	-	-	-	-	-	-
194																		
195			General & Intangible Depreciation Expense															
199			G&I Depreciation Expense - Software		-	-	-	-	-	-	-	-	-	-	-	-	93,642	93,642
204			G&I Depreciation Expense - Other		-	-	-	-	-	-	-	-	-	-	-	-	3,614	18,202
205			Total General & Intangible Depreciation Expense		-													

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Advanced Metering - Estimated Year 1 Revenue Requirement Advanced Metering Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
226		Federal Income Tax																
227		Return Adjustments																
228			Interest		-	-	-	-	-	-	-	-	-	-	(1,309)	(28,511)	(29,842)	(59,661)
229																		
230		Tax/Book Adjustments																
231			AFUDC Equity Flow Through		-	-	-	-	-	-	-	-	-	-	-	136	4,522	4,658
232			R&D Credit Flow Through															
233			ITC Flow Through		-	-	-	-	-	-	-	-	-	-	-	-	-	-
234			Total Permanent Differences		-	-	-	-	-	-	-	-	-	-	-	136	4,522	4,658
235			Depreciation and AFUDC Debt			-	-	-	-	-	-	-	-	-	(38,378)	(2,249,204)	(1,956,157)	(4,243,739)
236			Deferred State Income Tax		-	-	-	-	-	-	-	-	-	-	2,138	125,310	108,983	236,431
237			Total Temporary Differences		-	-	-	-	-	-	-	-	-	-	(36,240)	(2,123,894)	(1,847,174)	(4,007,308)
238			Amortization of EDFIT															
239			Deferred Federal Income Taxes		-	-	-	-	-	-	-	-	-	-	7,610	446,018	387,907	(841,535)
240																		
241			Net Taxable Equity Return		-	-	-	-	-	-	-	-	-	-	(25,571)	(1,611,117)	(1,385,012)	(4,704,768)
242			Federal Tax Rate		26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243			Total Current Federal Income Tax		-	-	-	-	-	-	-	-	-	-	(6,797)	(428,272)	(368,168)	(1,250,636)
244			Amortization of EDFIT		-	-	-	-	-	-	-	-	-	-	-	-	-	-
245			Total Provision for Federal Income Tax		-	-	-	-	-	-	-	-	-	-	7,610	446,018	387,907	(841,535)
246			Investment Tax Credits															
247			Investment Tax Credits															
248			R&D Credits															
249			Total Federal Income Tax		-	-	-	-	-	-	-	-	-	-	813	17,746	19,739	(2,092,170)
250																		
251		State Income Tax																
252			Net Current Taxable Equity Return		-	-	-	-	-	-	-	-	-	-	(32,368)	(2,039,389)	(1,753,180)	(5,955,404)
253			State Tax Rate		5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254			Total Current State Income Tax		-	-	-	-	-	-	-	-	-	-	(1,910)	(120,324)	(103,438)	(225,671)
255			Amortization of EDSIT															
256			Total Deferred State Income Tax		-	-	-	-	-	-	-	-	-	-	2,138	125,310	108,983	236,431
2																		

[illegible]

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Customer Information & Analytics - Estimated Year 1 Revenue Requirement Customer Information & Analytics Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
153		O&M																
154			Production O&M			-	-	-	-	-	-	-	-	-	-	-	-	-
155																		
156			Distribution O&M															
157			Meters			-	-	-	-	-	-	-	-	-	-	-	-	-
158			Other			-	-	-	-	-	-	-	-	-	-	-	-	-
159			Total Distribution O&M			-	-	-	-	-	-	-	-	-	-	-	-	-
160																		
161			Transmission O&M			-	-	-	-	-	-	-	-	-	-	-	-	-
162																		
163			General & Intangible O&M															
164			Software			95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	1,146,000
165			Other			-	-	-	-	-	-	-	-	-	-	-	-	-
166			Total General & Intangible O&M			95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	1,146,000
167																		
168			A&G			-	-	-	-	-	-	-	-	-	-	-	-	-
169																		
170			Total O&M			95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	95,500	1,146,000
171																		
172			Depreciation Expense															
176			Production Depreciation Expense			-	-	-	-	-	-	-	-	-	-	-	-	-
177																		
178			Distribution Depreciation Expense															
182			Distribution Depreciation Expense - Meters			-	-	-	-	-	-	-	-	-	-	-	-	-
187			Distribution Depreciation Expense - Other			-	-	-	-	-	-	-	-	-	-	-	-	-
188			Distribution Depreciation Expense Total			-	-	-	-	-	-	-	-	-	-	-	-	-
189																		
193			Total Transmission Depreciation Expense			-	-	-	-	-	-	-	-	-	-	-	-	-
194																		
195			General & Intangible Depreciation Expense															
199			G&I Depreciation Expense - Software			-	-	-	-	-	-	-	-	-	-	-	-	-
204			G&I Depreciation Expense - Other			-	-	-	-	-	-	-	-	-	-	-	-	-
205			Total General & Intangible Depreciation Expense			-	-	-	-	-	-	-	-	-	-	-	-	-
206																		
207			Total Depreciation Expense															

[illegible]

[illegible]

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Cybersecurity - Estimated Year 1 Revenue Requirement Cybersecurity Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
153		O&M																
154			Production O&M			-	-	-	-	-	-	-	-	-	-	-	-	-
155																		
156			Distribution O&M															
157			Meters			-	-	-	-	-	-	-	-	-	-	-	-	-
158			Other			-	-	-	-	-	-	-	-	-	-	-	-	-
159			Total Distribution O&M			-	-	-	-	-	-	-	-	-	-	-	-	-
160																		
161			Transmission O&M			-	-	-	-	-	-	-	-	-	-	-	-	-
162																		
163			General & Intangible O&M															
164			Software			-	-	-	-	-	-	-	-	-	-	-	-	-
165			Other			-	-	-	-	-	-	-	-	-	-	-	-	-
166			Total General & Intangible O&M			-	-	-	-	-	-	-	-	-	-	-	-	-
167																		
168			A&G			-	-	-	-	-	-	-	-	-	-	-	-	-
169																		
170			Total O&M			-	-	-	-	-	-	-	-	-	-	-	-	-
171																		
172			Depreciation Expense															
176			Production Depreciation Expense			-	-	-	-	-	-	-	-	-	-	-	-	-
177																		
178			Distribution Depreciation Expense															
182			Distribution Depreciation Expense - Meters			-	-	-	-	-	-	-	-	-	-	-	-	-
187			Distribution Depreciation Expense - Other			-	-	-	-	-	-	-	-	-	-	-	-	-
188			Distribution Depreciation Expense Total			-	-	-	-	-	-	-	-	-	-	-	-	-
189																		
193			Total Transmission Depreciation Expense			-	-	-	-	-	-	-	-	-	-	-	-	-
194																		
195			General & Intangible Depreciation Expense															
199			G&I Depreciation Expense - Software			-	-	-	-	-	-	-	-	-	-	-	-	-
204			G&I Depreciation Expense - Other			-	-	-	-	-	-	-	-	-	-	-	-	-
205			Total General & Intangible Depreciation Expense			-	-	-	-	-	-	-	-	-	-	-	-	-
206																		
207			Total Depreciation Expense			-	-	-	-	-	-	-	-	-	-	-	-	-
208																		
209			Property Tax															

[illegible]

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Data Management & Architecture - Estimated Year 1 Revenue Requirement Data Management & Architecture Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
6		Gross Plant																
10		Production Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
11																		
12		Distribution Plant																
16		Distribution Plant - Meters			-	-	-	-	-	-	-	-	-	-	-	-	-	-
21		Distribution Plant - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
22		Total Distribution Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
23																		
27		Transmission Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
28																		
29		General & Intangible Plant																
33		G&I - Software			-	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	4,984,913	4,984,913
38		G&I Plant - Other			-	-	-	-	-	-	-	-	-	-	-	-	325,894	325,894
39		Total General & Intangible Plant			-	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	5,310,807	5,310,807
40																		
41		Total Gross Plant			-	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	3,516,869	5,310,807	5,310,807
42																		
43		Accumulated Depreciation																
47		Production Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
48																		
49		Distribution Plant																
53		Distribution Plant - Meters			-	-	-	-	-	-	-	-	-	-	-	-	-	-
58		Distribution Plant - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
59		Total Distribution Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
60																		
64		Transmission Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
65																		
66		General & Intangible Plant																
70		G&I - Software			-	-	(29,307)	(58,614)	(87,922)	(117,229)	(146,536)	(175,843)	(205,151)	(234,458)	(263,765)	(293,072)	(322,380)	(322,380)
75		G&I Plant - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
76		Total General & Intangible Plant			-	-	(29,307)	(58,614)	(87,922)	(117,229)	(146,536)	(175,843)	(205,151)	(234,458)	(263,765)	(293,072)	(322,380)	(322,380)
77																		
78		Total Accumulated Depreciation			-	-	(29,307)	(58,614)	(87,922)	(117,229)	(146,536)	(175,843)	(205,151)	(234,458)	(263,765)	(293,072)	(322,380)	(322,380)
79																		
80		ADIT																
89		Total Production ADIT			-	-	-	-	-	-	-	-	-	-	-	-	-	-
90																		
91		Distribution ADIT																
100		Total Distribution ADIT - Meters			-	-	-	-	-	-	-	-	-	-	-	-	-	-
110		Total Distribution ADIT - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
111		Total Distribution ADIT			-	-	-	-	-	-	-	-	-	-	-	-	-	-
112																		
121		Total Transmission ADIT			-	-	-	-	-	-	-	-	-	-	-	-	-	-
122																		
123		General & Intangible ADIT																
132		Total G&I ADIT - Software			-	(39,869)	(56,124)	(72,379)	(88,634)	(104,888)	(161,288)	(217,688)	(274,088)	(330,488)	(386,888)	(443,288)	(623,859)	(623,859)
142		Total G&I ADIT - Other			-	-	-	-	-	-	-	-	-	-	-	-	(9,337)	(9,337)
143		Total General & Intangible ADIT			-	(39,869)	(56,124)	(72,379)	(88,634)	(104,888)	(161,288)	(217,688)	(274,088)	(330,488)	(386,888)	(443,288)	(633,197)	(633,197)
144																		
145		Total ADIT			-	(39,869)	(56,124)	(72,379)	(88,634)	(104,888)	(161,288)	(217,688)	(274,088)	(330,488)	(386,888)	(443,288)	(633,197)	(633,197)
146																		
147		Total Rate Base			\$ -	\$ 3,477,000	\$ 3,431,438	\$ 3,385,876	\$ 3,340,314	\$ 3,294,752	\$ 3,209,044	\$ 3,123,337	\$ 3,037,630	\$ 2,951,923	\$ 2,866,216	\$ 2,780,509	\$ 4,355,231	\$ 4,355,231
148																		
149		Weighted Average Cost of Capital			6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
150																		
151		Return on Rate Base			-	19,990	19,728	19,466	19,204	18,942	18,449	17,957	17,464	16,971	16,478	15,986	25,039	225,673
152																		

[illegible]

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Data Management & Architecture - Estimated Year 1 Revenue Requirement Data Management & Architecture Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
226		Federal Income Tax																
227		Return Adjustments																
228			Interest		-	(5,991)	(5,912)	(5,834)	(5,755)	(5,677)	(5,529)	(5,381)	(5,234)	(5,086)	(4,938)	(4,791)	(7,504)	(67,632)
229																		
230		Tax/Book Adjustments																
231			AFUDC Equity Flow Through		-	-	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	12,163
232			R&D Credit Flow Through															
233			ITC Flow Through		-	-	-	-	-	-	-	-	-	-	-	-	-	-
234			Total Permanent Differences		-	-	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	12,163
235			Depreciation and AFUDC Debt			(156,965)	(63,995)	(63,995)	(63,995)	(63,995)	(222,047)	(222,047)	(222,047)	(222,047)	(222,047)	(222,047)	(747,672)	(2,492,900)
236			Deferred State Income Tax		-	8,745	3,565	3,565	3,565	3,565	12,371	12,371	12,371	12,371	12,371	12,371	41,655	138,887
237			Total Temporary Differences		-	(148,220)	(60,430)	(60,430)	(60,430)	(60,430)	(209,676)	(209,676)	(209,676)	(209,676)	(209,676)	(209,676)	(706,017)	(2,354,013)
238			Amortization of EDFIT															
239			Deferred Federal Income Taxes		-	31,126	12,690	12,690	12,690	12,690	44,032	44,032	44,032	44,032	44,032	44,032	148,264	(494,343)
240																		
241			Net Taxable Equity Return		-	(103,095)	(32,818)	(33,002)	(33,185)	(33,369)	(151,618)	(151,963)	(152,308)	(152,653)	(152,998)	(153,344)	(539,113)	(2,678,153)
242			Federal Tax Rate		26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243			Total Current Federal Income Tax		-	(27,405)	(8,724)	(8,773)	(8,821)	(8,870)	(40,304)	(40,395)	(40,487)	(40,579)	(40,671)	(40,762)	(143,309)	(711,915)
244			Amortization of EDFIT		-	-	-	-	-	-	-	-	-	-	-	-	-	-
245			Total Provision for Federal Income Tax		-	31,126	12,690	12,690	12,690	12,690	44,032	44,032	44,032	44,032	44,032	44,032	148,264	(494,343)
246			Investment Tax Credits															
247			Investment Tax Credits															
248			R&D Credits															
249			Total Federal Income Tax		-	3,721	3,966	3,918	3,869	3,820	3,728	3,637	3,545	3,453	3,361	3,270	4,955	(1,206,257)
250																		
251		State Income Tax																
252			Net Current Taxable Equity Return			(130,500)	(41,542)	(41,774)	(42,007)	(42,239)	(191,922)	(192,359)	(192,795)	(193,232)				

[illegible]

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Distribution Planning & Engineering - Estimated Year 1 Revenue Requirement Distribution Planning & Engineering Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
153		O&M																
154			Production O&M			-	-	-	-	-	-	-	-	-	-	-	-	-
155																		
156			Distribution O&M															
157			Meters			-	-	-	-	-	-	-	-	-	-	-	-	-
158			Other			31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	382,007
159			Total Distribution O&M			31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	382,007
160																		
161			Transmission O&M			-	-	-	-	-	-	-	-	-	-	-	-	-
162																		
163			General & Intangible O&M															
164			Software			-	-	-	-	-	-	-	-	-	-	-	-	-
165			Other			-	-	-	-	-	-	-	-	-	-	-	-	-
166			Total General & Intangible O&M			-	-	-	-	-	-	-	-	-	-	-	-	-
167																		
168			A&G			-	-	-	-	-	-	-	-	-	-	-	-	-
169																		
170			Total O&M			31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	382,007
171																		
172			Depreciation Expense															
176			Production Depreciation Expense			-	-	-	-	-	-	-	-	-	-	-	-	-
177																		
178			Distribution Depreciation Expense															
182			Distribution Depreciation Expense - Meters			-	-	-	-	-	-	-	-	-	-	-	-	-
187			Distribution Depreciation Expense - Other			-	-	-	-	-	-	-	-	-	-	-	-	-
188			Distribution Depreciation Expense Total			-	-	-	-	-	-	-	-	-	-	-	-	-
189																		
193			Total Transmission Depreciation Expense			-	-	-	-	-	-	-	-	-	-	-	-	-
194																		
195			General & Intangible Depreciation Expense															
199			G&I Depreciation Expense - Software			-	-	-	-	-	-	-	-	-	-	-	-	-
204			G&I Depreciation Expense - Other			-	-	-	-	-	-	-	-	-	-	-	-	-
205			Total General & Intangible Depreciation Expense			-	-	-	-	-	-	-	-	-	-	-	-	-
206																		
207			Total Depreciation Expense			-</												

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Distribution Planning & Engineering - Estimated Year 1 Revenue Requirement Distribution Planning & Engineering Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
226		Federal Income Tax																
227		Return Adjustments																
228				Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
229																		
230		Tax/Book Adjustments																
231				AFUDC Equity Flow Through	-	-	-	-	-	-	-	-	-	-	-	-	-	-
232				R&D Credit Flow Through														
233				ITC Flow Through	-	-	-	-	-	-	-	-	-	-	-	-	-	-
234				Total Permanent Differences														
235				Depreciation and AFUDC Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
236				Deferred State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
237				Total Temporary Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
238				Amortization of EDFIT														
239				Deferred Federal Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
240																		
241				Net Taxable Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
244				Amortization of EDFIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
246				Investment Tax Credits														
247				Investment Tax Credits														
248				R&D Credits														
249				Total Federal Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
250																		
251		State Income Tax																
252				Net Current Taxable Equity Return														
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
255				Amortization of EDSIT														
256				Total Deferred State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
257				Total State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
258																		
259		Revenue Credits																
260				Opt-out Fee Revenue														
261				Total Revenue Credits		-	-	-	-	-	-	-	-	-	-	-	-	-
262																		
263				Total Revenue Requirement Before Revenue Tax		31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	382,007
264				Revenue Tax Factor		0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax		162	162	162	162	162	162	162	162	162	162	162	162	1,943
266																		
267				Total Revenue Requirement		\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 383,950
268																		
269		Revenue Requirement Summary																
270				Return on Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-
271				O&M	-	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	382,007
272				Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
273				Taxes Other Than Income	-	162	162	162	162	162	162	162	162	162	162	162	162	1,943
274				Net Allowable Federal Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
275				Net Allowable State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
276				Revenue Credits														
277				Total Revenue Requirement	\$ -	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 31,996	\$ 383,950
278																		
279		*Note: Year 1 Revenue Requirement reflects the sum of monthly totals.																

[illegible]

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Distribution Automation - Estimated Year 1 Revenue Requirement Distribution Automation Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
153		O&M																
154			Production O&M		-	-	-	-	-	-	-	-	-	-	-	-	-	-
155																		
156			Distribution O&M															
157			Meters		-	-	-	-	-	-	-	-	-	-	-	-	-	-
158			Other		813	813	813	813	813	813	813	813	813	813	813	813	813	9,750
159			Total Distribution O&M		813	813	813	813	813	813	813	813	813	813	813	813	813	9,750
160																		
161			Transmission O&M		-	-	-	-	-	-	-	-	-	-	-	-	-	-
162																		
163			General & Intangible O&M															
164			Software		-	-	-	-	-	-	-	-	-	-	-	-	-	-
165			Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
166			Total General & Intangible O&M		-	-	-	-	-	-	-	-	-	-	-	-	-	-
167																		
168			A&G		-	-	-	-	-	-	-	-	-	-	-	-	-	-
169																		
170			Total O&M		813	813	813	813	813	813	813	813	813	813	813	813	813	9,750
171																		
172			Depreciation Expense															
176			Production Depreciation Expense		-	-	-	-	-	-	-	-	-	-	-	-	-	-
177																		
178			Distribution Depreciation Expense															
182			Distribution Depreciation Expense - Meters		-	-	-	-	-	-	-	-	-	-	-	-	-	-
187			Distribution Depreciation Expense - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
188			Distribution Depreciation Expense Total		-	-	-	-	-	-	-	-	-	-	-	-	-	-
189																		
193			Total Transmission Depreciation Expense		-	-	-	-	-	-	-	-	-	-	-	-	-	-
194																		
195			General & Intangible Depreciation Expense															
199			G&I Depreciation Expense - Software		-	-	-	-	-	-	-	-	-	-	-	-	-	-
204			G&I Depreciation Expense - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
205			Total General & Intangible Depreciation Expense		-	-	-	-	-	-	-	-	-	-	-	-	-	-
206																		
207			Total Depreciation Expense		-	-	-	-	-	-	-	-	-	-	-	-	-	-
208																		

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Telecommunications - Estimated Year 1 Revenue Requirement Telecommunications Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
6	Gross Plant																	
10				Production Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11																		
12				Distribution Plant														
16				Distribution Plant - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21				Distribution Plant - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22				Total Distribution Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23																		
27				Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28																		
29	General & Intangible Plant																	
33				G&I - Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38				G&I Plant - Other	-	3,101,205	3,119,919	3,138,632	3,157,345	3,176,059	3,194,772	3,213,485	3,232,198	3,250,912	3,269,625	3,288,338	3,307,052	3,307,052
39				Total General & Intangible Plant	-	3,101,205	3,119,919	3,138,632	3,157,345	3,176,059	3,194,772	3,213,485	3,232,198	3,250,912	3,269,625	3,288,338	3,307,052	3,307,052
40																		
41				Total Gross Plant	-	3,101,205	3,119,919	3,138,632	3,157,345	3,176,059	3,194,772	3,213,485	3,232,198	3,250,912	3,269,625	3,288,338	3,307,052	3,307,052
42																		
43	Accumulated Depreciation																	
47				Production Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48																		
49				Distribution Plant														
53				Distribution Plant - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58				Distribution Plant - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59				Total Distribution Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60																		
64				Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65																		
66	General & Intangible Plant																	
70				G&I - Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75				G&I Plant - Other	-	-	(14,568)	(29,223)	(43,967)	(58,798)	(73,718)	(88,725)	(103,820)	(119,003)	(134,274)	(149,633)	(165,080)	(165,080)
76				Total General & Intangible Plant	-	-	(14,568)	(29,223)	(43,967)	(58,798)	(73,718)	(88,725)	(103,820)	(119,003)	(134,274)	(149,633)	(165,080)	(165,080)
77																		
78				Total Accumulated Depreciation														

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																	
2	WP Telecommunications - Estimated Year 1 Revenue Requirement Telecommunications Project																	
3																		
4																		
5					Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
153		O&M																
154			Production O&M		-	-	-	-	-	-	-	-	-	-	-	-	-	-
155																		
156			Distribution O&M															
157			Meters		-	-	-	-	-	-	-	-	-	-	-	-	-	-
158			Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
159			Total Distribution O&M		-	-	-	-	-	-	-	-	-	-	-	-	-	-
160																		
161			Transmission O&M		-	-	-	-	-	-	-	-	-	-	-	-	-	-
162																		
163			General & Intangible O&M															
164			Software		114	114	114	114	114	114	114	114	114	114	114	114	114	1,364
165			Other		31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	31,834	382,007
166			Total General & Intangible O&M		31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	383,371
167																		
168			A&G		-	-	-	-	-	-	-	-	-	-	-	-	-	-
169																		
170			Total O&M		31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	31,948	383,371
171																		
172			Depreciation Expense															
176			Production Depreciation Expense		-	-	-	-	-	-	-	-	-	-	-	-	-	-
177																		
178			Distribution Depreciation Expense															
182			Distribution Depreciation Expense - Meters		-	-	-	-	-	-	-	-	-	-	-	-	-	-
187			Distribution Depreciation Expense - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
188			Distribution Depreciation Expense Total		-	-	-	-	-	-	-	-	-	-	-	-	-	-
189																		
193			Total Transmission Depreciation Expense		-	-	-	-	-	-	-	-	-	-	-	-	-	-
194																		
195			General & Intangible Depreciation Expense															
199			G&I Depreciation Expense - Software		-	-	-	-	-	-	-	-	-	-	-	-	-	-
204			G&I Depreciation Expense - Other		-	14,568	14,656	14,744	14,831	14,919	15,007	15,095	15,183	15,271	15,359	15,447	165,080	
205			Total General & Intangible Depreciation Expense		-	14,568	14,656	14,744	14,831	14,919</								

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-2																
2	WP Telecommunications - Estimated Year 1 Revenue Requirement Telecommunications Project																
3																	
4																	
5				Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Year 1* 2025
226	Federal Income Tax																
227	Return Adjustments																
228		Interest		-	(5,308)	(5,310)	(5,312)	(5,314)	(5,316)	(5,317)	(5,319)	(5,320)	(5,321)	(5,321)	(5,321)	(5,320)	(63,799)
229																	
230	Tax/Book Adjustments																
231		AFUDC Equity Flow Through		-	-	550	553	556	560	563	566	570	573	576	579	583	6,228
232		R&D Credit Flow Through															
233		ITC Flow Through		-	-	-	-	-	-	-	-	-	-	-	-	-	-
234		Total Permanent Differences		-	-	550	553	556	560	563	566	570	573	576	579	583	6,228
235		Depreciation and AFUDC Debt			(81,506)	(10,879)	(10,972)	(11,083)	(11,219)	(11,387)	(11,597)	(11,866)	(11,928)	(12,432)	(13,231)	(14,913)	(213,013)
236		Deferred State Income Tax		-	4,541	606	611	617	625	634	646	661	665	693	737	831	11,868
237		Total Temporary Differences		-	(76,965)	(10,273)	(10,360)	(10,466)	(10,594)	(10,753)	(10,951)	(11,204)	(11,264)	(11,740)	(12,494)	(14,082)	(201,145)
238		Amortization of EDFIT															
239		Deferred Federal Income Taxes		-	16,163	2,157	2,176	2,198	2,225	2,258	2,300	2,353	2,365	2,465	2,624	2,957	(42,241)
240																	
241		Net Taxable Equity Return		-	(48,400)	4,842	4,782	4,706	4,612	4,494	4,344	4,149	4,108	3,736	3,144	1,891	(88,073)
242		Federal Tax Rate		26.58%		26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243		Total Current Federal Income Tax		-	(12,866)	1,287	1,271	1,251	1,226	1,195	1,155	1,103	1,092	993	836	503	(23,412)
244		Amortization of EDFIT		-	-	-	-	-	-	-	-	-	-	-	-	-	-
245		Total Provision for Federal Income Tax		-	16,163	2,157	2,176	2,198	2,225	2,258	2,300	2,353	2,365	2,465	2,624	2,957	(42,241)
246		Investment Tax Credits															
247		Investment Tax Credits															
248		R&D Credits															
249		Total Federal Income Tax		-	3,297	3,444	3,447	3,449	3,451	3,453	3,454	3,456	3,457	3,459	3,459	3,460	(65,652)
250																	
251	State Income Tax																
252		Net Current Taxable Equity Return		-	(61,265)	6,129	6,053	5,957	5,838	5,689	5,499	5,252	5,200	4,729	3,980	2,393	(111,485)
253		State Tax Rate		5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254		Total Current State Income Tax		-	(3,615)	362	357	351	344	336	324	310	307	279	2		

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PNM Exhibit TSB-2			
WP Assumption - Rate Assumptions			
	Yearly Rate	Monthly Rate	
Property Tax Rate	2.91%	0.24%	
Advanced Metering (years)	20		
Composite Production Depr. Rate	2.00%	0.17%	
Composite Transmission Depr. Rate	2.65%	0.22%	
Composite Distribution Depr. Rate	2.93%	0.24%	
Software	10.00%	0.83%	
Composite General Plant Depr. Rate	5.64%	0.47%	
Meters Depreciation Rate	5.00%	0.42%	
AFUDC Equity Rate	3.997%		
AFUDC Debt Rate	1.951%		
	51.82%	Retail Share of Transmission	

Estimated Grid Modernization Year Two Monthly Revenue
Requirement by Project

PNM Exhibit TSB-3

Is contained in the following 33 pages.

PNM Exhibit TSB-3

Estimated Grid Modernization Year Two Monthly Revenue Requirement by Project
2026

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<u>WP Advanced Metering</u>	Estimated 2026 Revenue Requirement Calculation Associated with Advanced Metering Project	Pages 8-10
<u>WP Customer Information & Analytics</u>	Estimated 2026 Revenue Requirement Calculation Associated with Customer Information & Analytics Project	Pages 11-13
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<u>WP Data Management & Architecture</u>	Estimated 2026 Revenue Requirement Calculation Associated with Data Management & Architecture Project	Pages 17-19
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<u>WP Project Oversight</u>	Estimated 2026 Revenue Requirement Calculation Associated with Project Oversight Project	Pages 29-31
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<u>WP Rate Assumption</u>	PNM Assumptions for Depreciation and Property Taxes	Page 33

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A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-3																
2	Total Grid Modernization Year 2 Monthly Revenue Requirement																
3	All Projects																
4																	
5				Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Year 2* 2026
226				Federal Income Tax													
227				Return Adjustments													
228					(47,693)	(54,805)	(59,624)	(64,416)	(69,177)	(73,907)	(77,298)	(80,663)	(83,998)	(132,018)	(142,562)	(167,489)	(1,053,652)
229																	
230				Tax/Book Adjustments													
231				-	6,992	7,468	8,352	8,828	9,305	9,781	10,257	10,598	10,939	11,279	19,301	20,534	133,633
232																	
233				-	-	-	-	-	-	-	-	-	-	-	-	-	-
234				-	6,992	7,468	8,352	8,828	9,305	9,781	10,257	10,598	10,939	11,279	19,301	20,534	133,633
235					(719,268)	(789,777)	(766,898)	(781,261)	(798,939)	(820,781)	(822,397)	(846,996)	(879,917)	(3,796,442)	(3,452,404)	(6,283,730)	(20,758,907)
236				-	40,073	44,001	42,726	43,526	44,511	45,734	45,818	47,189	49,023	211,511	192,344	350,085	1,156,540
237				-	(679,196)	(745,776)	(724,171)	(737,735)	(754,428)	(775,144)	(776,579)	(799,807)	(830,894)	(3,584,931)	(3,260,061)	(5,933,645)	(19,602,367)
238																	
239				-	142,631	156,613	152,076	154,924	158,430	162,780	163,081	167,959	174,488	752,836	684,613	1,246,066	4,116,497
240																	
241					(418,124)	(453,627)	(424,414)	(423,457)	(425,041)	(429,877)	(422,610)	(432,758)	(449,184)	(2,512,318)	(2,223,011)	(4,275,661)	(12,890,083)
242				26.58%		26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243					(111,147)	(120,585)	(112,819)	(112,565)	(112,986)	(114,271)	(112,340)	(115,037)	(119,403)	(667,832)	(590,927)	(1,136,569)	(3,426,481)
244																	
245				-	142,631	156,613	152,076	154,924	158,430	162,780	163,081	167,959	174,488	752,836	684,613	1,246,066	4,116,497
246				Investment Tax Credits													
247																	
248																	
249				-	31,484	36,028	39,257	42,360	45,444	48,509	50,742	52,923	55,084	85,004	93,685	109,497	690,017
250																	
251				State Income Tax													
252				-	(529,271)	(574,212)	(537,233)	(536,022)	(538,027)	(544,149)	(534,950)	(547,795)	(568,587)	(3,180,150)	(2,813,939)	(5,412,230)	(16,316,564)
253				5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				-	(31,227)	(33,878)	(31,697)	(31,625)	(31,744)	(32,105)	(31,562)	(32,320)	(33,547)	(187,629)	(166,022)	(319,322)	(962,677)
255																	
256				-	40,073	44,001	42,726	43,526	44,511	45,734	45,818	47,189	49,023	211,511	192,344	350,085	1,156,540
257				-	8,846	10,122	11,029	11,901	12,768	13,629	14,256	14,869	15,476	23,882	26,321	30,764	193,862
258																	
259				Revenue Credits													
260				-	-	-	-	-	-	-	-	-	-	-	-	-	-
261					-	-	-	-	-	-	-	-	-	-	-	-	-
262																	
263				Total Revenue Requirement Before Revenue Tax			2,492,299	1,283,271	1,326,926	1,363,286	1,391,972	1,424,305	1,451,103	1,474,156	1,497,085	1,963,585	2,099,696
264					0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265					12,675	6,526	6,748	6,933	7,079	7,244	7,380	7,497	7,614	8,670	9,986	10,678	99,031
266																	
267				Total Revenue Requirement			\$ 2,504,974	\$ 1,289,797	\$ 1,333,674	\$ 1,370,219	\$ 1,399,052	\$ 1,431,549	\$ 1,458,483	\$ 1,481,653	\$ 1,504,699	\$ 1,713,346	\$ 1,973,571
268																	\$ 2,110,375
269				Revenue Requirement Summary													\$ 19,571,391
270				-	159,142	182,873	198,954	214,941	230,829	246,613	257,928	269,155	280,282	440,516	475,698	558,874	3,515,805
271				-	2,085,639	834,435	834,435	838,211	834,435	834,435	834,435	834,435	834,435	834,435	834,435	834,435	11,268,202
272				-	185,318	197,941	221,380	234,003	246,626	259,249	271,872	280,904	289,937	298,969	511,575	544,256	3,542,031
273				-	34,545	28,397	28,619	28,804	28,949	29,114	29,250	29,367	29,484	30,540	31,857	32,549	361,475
274					31,484	36,028	39,257	42,360	45,444	48,509	50,742	52,923	55,084	85,004	93,685	109,497	690,017
275					8,846	10,122	11,029	11,901	12,768	13,629	14,256	14,869	15,476	23,882	26,321	30,764	193,862
276				-	-	-	-	-	-	-	-	-	-	-	-	-	-
277				\$ -	\$ 2,504,974	\$ 1,289,797	\$ 1,333,674	\$ 1,370,219	\$ 1,399,052	\$ 1,431,549	\$ 1,458,483	\$ 1,481,653	\$ 1,504,699	\$ 1,713,346	\$ 1,973,571	\$ 2,110,375	\$ 19,571,391
278																	
279				*Note: Year 2 Revenue Requirement reflects the sum of monthly totals.													

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	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-3																	
2	WP Advanced Metering - Estimated Year 2 Revenue Requirement Advanced Metering Project																	
3																		
4																		
5					Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Year 2* 2026
6		Gross Plant																
10		Production Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
11																		
12		Distribution Plant																
16		Distribution Plant - Meters			3,409,560	3,409,560	3,440,099	3,440,099	3,440,099	3,440,099	3,440,099	3,440,099	3,440,099	3,440,099	7,953,221	12,395,867	16,838,513	16,838,513
21		Distribution Plant - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
22		Total Distribution Plant			3,409,560	3,409,560	3,440,099	3,440,099	3,440,099	3,440,099	3,440,099	3,440,099	3,440,099	3,440,099	7,953,221	12,395,867	16,838,513	16,838,513
23																		
27		Transmission Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
28																		
29		General & Intangible Plant																
33		G&I - Software			11,237,055	11,237,055	12,519,697	12,519,697	12,519,697	12,519,697	12,519,697	12,519,697	12,519,697	12,519,697	30,728,391	31,285,379	31,842,367	31,842,367
38		G&I Plant - Other			3,874,898	4,639,234	5,403,571	6,167,907	6,932,244	7,696,580	8,460,917	8,460,917	8,460,917	8,460,917	8,460,917	8,460,917	8,460,917	8,460,917
39		Total General & Intangible Plant			15,111,952	15,876,289	17,923,268	18,687,605	19,451,941	20,216,278	20,980,614	20,980,614	20,980,614	20,980,614	39,189,307	39,746,295	40,303,284	40,303,284
40																		
41		Total Gross Plant			18,521,513	19,285,849	21,363,367	22,127,703	22,892,040	23,656,376	24,420,713	24,420,713	24,420,713	24,420,713	47,142,528	52,142,162	57,141,796	57,141,796
42																		
43		Accumulated Depreciation																
47		Production Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
48																		
49		Distribution Plant																
53		Distribution Plant - Meters			(11,623)	(25,830)	(40,036)	(54,370)	(68,704)	(83,038)	(97,371)	(111,705)	(126,039)	(140,373)	(154,706)	(187,845)	(239,494)	(239,494)
58		Distribution Plant - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
59		Total Distribution Plant			(11,623)	(25,830)	(40,036)	(54,370)	(68,704)	(83,038)	(97,371)	(111,705)	(126,039)	(140,373)	(154,706)	(187,845)	(239,494)	(239,494)
60																		
64		Transmission Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
65																		
66		General & Intangible Plant																
70		G&I - Software			(93,642)	(187,284)	(280,926)	(385,257)	(489,588)	(593,919)	(698,250)	(802,580)	(906,911)	(1,011,242)	(1,115,573)	(1,371,643)	(1,632,354)	(1,632,354)
75		G&I Plant - Other			(18,202)	(36,404)	(58,197)	(83,580)	(112,553)	(145,117)	(181,271)	(221,016)	(260,761)	(300,506)	(340,250)	(379,995)	(419,740)	(419,740)
76		Total General & Intangible Plant			(111,844)	(223,689)	(339,123)	(468,837)	(602,141)	(739,036)	(879,521)	(1,023,597)	(1,167,672)	(1,311,748)	(1,455,823)	(1,751,638)	(2,052,094)	(2,052,094)
77																		
78		Total Accumulated Depreciation			(123,468)	(249,519)	(379,160)	(523,207)	(670,845)	(822,074)	(976,893)	(1,135,302)	(1,293,711)	(1,452,120)	(1,610,530)	(1,939,483)	(2,291,588)	(2,291,588)
79																		
80		ADIT																
89		Total Production ADIT			-	-	-	-	-	-	-	-	-	-	-	-	-	-
90																		
91		Distribution ADIT																
100		Total Distribution ADIT - Meters			(43,761)	(45,206)	(46,819)	(48,258)	(49,697)	(51,136)	(52,575)	(54,014)	(55,452)	(56,891)	(92,966)	(144,086)	(230,621)	(230,621)
110		Total Distribution ADIT - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
111		Total Distribution ADIT			(43,761)	(45,206)	(46,819)	(48,258)	(49,697)	(51,136)	(52,575)	(54,014)	(55,452)	(56,891)	(92,966)	(144,086)	(230,621)	(230,621)
112																		
121		Total Transmission ADIT			-	-	-	-	-	-	-	-	-	-	-	-	-	-
122																		
123		General & Intangible ADIT																
132		Total G&I ADIT - Software			(927,575)	(1,004,476)	(1,096,695)	(1,180,301)	(1,263,907)	(1,347,512)	(1,431,118)	(1,514,724)	(1,598,330)	(1,681,936)	(2,335,708)	(2,892,074)	(3,491,812)	(3,491,812)
142		Total G&I ADIT - Other			(106,574)	(121,162)	(136,538)	(152,869)	(170,359)	(189,261)	(209,904)	(226,093)	(242,283)	(258,473)	(274,663)	(290,852)	(307,042)	(307,042)
143		Total General & Intangible ADIT			(1,034,149)	(1,125,638)	(1,233,233)	(1,333,170)	(1,434,265)	(1,536,774)	(1,641,022)	(1,740,818)	(1,840,613)	(1,940,409)	(2,610,371)	(3,182,926)	(3,798,854)	(3,798,854)
144																		
145		Total ADIT			(1,077,910)	(1,170,844)	(1,280,051)	(1,381,427)	(1,483,962)	(1,587,909)	(1,693,597)	(1,794,831)	(1,896,066)	(1,997,300)	(2,703,337)	(3,327,012)	(4,029,475)	(4,029,475)
146																		
147		Total Rate Base			\$17,320,135	\$17,865,487	\$19,704,155	\$20,223,068	\$20,737,233	\$21,246,393	\$21,750,223	\$21,490,580	\$21,230,936	\$20,971,292	\$42,828,661	\$46,875,667	\$50,820,733	\$ 50,820,733
148																		
149		Weighted Average Cost of Capital			6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
150																		
151		Return on Rate Base				102,711	113,282	116,265	119,221	122,149	125,045	123,552	122,060	120,567	246,228	269,495	292,176	1,872,751
152																		

[illegible]

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-3																	
2	WP Advanced Metering - Estimated Year 2 Revenue Requirement Advanced Metering Project																	
3																		
4																		
5					Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Year 2* 2026
226	Federal Income Tax																	
227	Return Adjustments																	
228				Interest	(30,782)	(33,949)	(34,844)	(35,729)	(36,607)	(37,475)	(37,027)	(36,580)	(36,133)	(73,792)	(80,765)	(87,562)	(561,245)	
229																		
230	Tax/Book Adjustments																	
231				AFUDC Equity Flow Through	4,756	4,891	5,435	5,570	5,706	5,841	5,976	5,976	5,976	5,976	5,976	12,411	13,284	81,798
232				R&D Credit Flow Through														
233				ITC Flow Through	-	-	-	-	-	-	-	-	-	-	-	-	-	-
234				Total Permanent Differences	4,756	4,891	5,435	5,570	5,706	5,841	5,976	5,976	5,976	5,976	5,976	12,411	13,284	81,798
235				Depreciation and AFUDC Debt	(365,883)	(429,951)	(399,118)	(403,679)	(409,242)	(416,093)	(398,561)	(398,561)	(398,561)	(2,779,671)	(2,455,414)	(2,765,602)	(11,620,337)	
236				Deferred State Income Tax	20,384	23,954	22,236	22,490	22,800	23,182	22,205	22,205	22,205	22,205	154,864	136,798	154,080	647,403
237				Total Temporary Differences	(345,498)	(405,997)	(376,882)	(381,189)	(386,442)	(392,911)	(376,356)	(376,356)	(376,356)	(2,624,808)	(2,318,616)	(2,611,522)	(10,972,934)	
238				Amortization of EDFIT														
239				Deferred Federal Income Taxes	-	72,555	85,259	79,145	80,050	81,153	82,511	79,035	79,035	79,035	551,210	486,909	548,420	(2,304,316)
240																		
241				Net Taxable Equity Return	-	(196,258)	(236,514)	(210,880)	(212,077)	(214,041)	(216,988)	(204,820)	(205,865)	(206,911)	(1,895,186)	(1,630,566)	(1,845,205)	(11,883,945)
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	(52,170)	(62,871)	(56,057)	(56,375)	(56,897)	(57,680)	(54,446)	(54,724)	(55,002)	(503,784)	(433,442)	(490,498)	(3,159,026)	
244				Amortization of EDFIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	72,555	85,259	79,145	80,050	81,153	82,511	79,035	79,035	79,035	551,210	486,909	548,420	(2,304,316)	
246				Investment Tax Credits														
247				Investment Tax Credits														
248				R&D Credits														
249				Total Federal Income Tax	-	20,385	22,388	23,088	23,675	24,256	24,831	24,589	24,311	24,033	47,426	53,467	57,922	(5,463,342)
250																		
251				State Income Tax														
252				Net Current Taxable Equity Return	-	(248,428)	(299,385)	(266,937)	(268,452)	(270,939)	(274,669)	(259,266)	(260,589)	(261,912)	(2,398,970)	(2,064,008)	(2,335,703)	(15,042,971)
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	-	(14,657)	(17,664)	(15,749)	(15,839)	(15,985)	(16,205)	(15,297)	(15,375)	(15,453)	(141,539)	(121,776)	(137,806)	(543,346)
255				Amortization of EDSIT	-													
256				Total Deferred State Income Tax	-	20,384	23,954	22,236	22,490	22,800	23,182	22,205	22,205	22,205	154,864	136,798	154,080	647,403
257				Total State Income Tax	-	5,727	6,290	6,487	6,651	6,815	6,976	6,908	6,830	6,752	13,324	15,022	16,273	104,057
258																		
259				Revenue Credits														
260				Opt-out Fee Revenue														
261				Total Revenue Credits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
262																		
263				Total Revenue Requirement Before Revenue Tax	-	1,759,246	524,771	543,057	554,130	557,616	564,840	566,628	564,779	562,931	718,557	920,106	971,646	8,808,308
264				Revenue Tax Factor	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax	-	8,947	2,669	2,762	2,818	2,836	2,873	2,882	2,872	2,863	3,654	4,679	4,942	44,797
266																		
267				Total Revenue Requirement	\$ -	\$ 1,768,193	\$ 527,440	\$ 545,819	\$ 556,948	\$ 560,452	\$ 567,713	\$ 569,510	\$ 567,652	\$ 565,794	\$ 722,211	\$ 924,786	\$ 976,587	\$ 8,853,105
268																		
269				Revenue Requirement Summary														
270				Return on Rate Base	-	102,711	113,282	116,265	119,221	122,149	125,045	123,552	122,060	120,567	246,228	269,495	292,176	1,872,751
271				O&M	-	1,489,250	238,047	238,047	241,823	238,047	238,047	238,047	238,047	238,047	238,047	238,047	238,047	4,111,542
272				Depreciation Expense	-	126,051	129,641	144,048	147,638	151,228	154,819	158,409	158,409	158,409	158,409	328,953	352,106	2,168,121
273				Taxes Other Than Income	-	24,069	17,791	17,884	17,940	17,958	17,995	18,004	17,995	17,985	18,777	19,802	20,064	226,264
274				Net Allowable Federal Income Tax	-	20,385	22,388	23,088	23,675	24,256	24,831	24,589	24,311	24,033	47,426	53,467	57,922	370,371
275				Net Allowable State Income Tax	-	5,727	6,290	6,487	6,651	6,815	6,976	6,908	6,830	6,752	13,324	15,022	16,273	104,057
276				Revenue Credits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
277				Total Revenue Requirement	\$ -	\$ 1,768,193	\$ 527,440	\$ 545,819	\$ 556,948	\$ 560,452	\$ 567,713	\$ 569,510	\$ 567,652	\$ 565,794	\$ 722,211	\$ 924,786	\$ 976,587	\$ 8,853,105
278																		
279				*Note: Year 2 Revenue Requirement reflects the sum of monthly totals.														

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[illegible]

[illegible]

[illegible]

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-3																	
2	WP Data Management & Architecture - Estimated Year 2 Revenue Requirement Data Management & Architecture Project																	
3																		
4																		
5					Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Year 2* 2026
6	Gross Plant																	
10				Production Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11																		
12				Distribution Plant														
16				Distribution Plant - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21				Distribution Plant - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22				Total Distribution Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23																		
27				Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28																		
29				General & Intangible Plant														
33				G&I - Software	4,984,913	4,984,913	4,984,913	4,984,913	4,984,913	4,984,913	4,984,913	4,984,913	4,984,913	4,984,913	4,984,913	4,984,913	6,796,702	6,796,702
38				G&I Plant - Other	325,894	325,894	325,894	325,894	325,894	325,894	325,894	325,894	325,894	325,894	325,894	325,894	483,607	483,607
39				Total General & Intangible Plant	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	7,280,309	7,280,309
40																		
41				Total Gross Plant	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	5,310,807	7,280,309	7,280,309
42																		
43	Accumulated Depreciation																	
47				Production Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48																		
49				Distribution Plant														
53				Distribution Plant - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58				Distribution Plant - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59				Total Distribution Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60																		
64				Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65																		
66				General & Intangible Plant														
70				G&I - Software	(322,380)	(363,921)	(405,462)	(447,002)	(488,543)	(530,084)	(571,625)	(613,166)	(654,707)	(696,248)	(737,789)	(779,330)	(820,871)	(820,871)
75				G&I Plant - Other	-	(1,531)	(3,062)	(4,593)	(6,123)	(7,654)	(9,185)	(10,716)	(12,247)	(13,778)	(15,309)	(16,840)	(18,370)	(18,370)
76				Total General & Intangible Plant	(322,380)	(365,451)	(408,523)	(451,595)	(494,667)	(537,739)	(580,811)	(623,882)	(666,954)	(710,026)	(753,098)	(796,170)	(839,241)	(839,241)
77																		
78				Total Accumulated Depreciation	(322,380)	(365,451)	(408,523)	(451,595)	(494,667)	(537,739)	(580,811)	(623,882)	(666,954)	(710,026)	(753,098)	(796,170)	(839,241)	(839,241)
79																		
80	ADIT																	
89				Total Production ADIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
90																		
91				Distribution ADIT														
100				Total Distribution ADIT - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110				Total Distribution ADIT - Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
111				Total Distribution ADIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
112																		
121				Total Transmission ADIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
122																		
123				General & Intangible ADIT														
132				Total G&I ADIT - Software	(623,859)	(689,205)	(754,550)	(819,896)	(885,241)	(950,586)	(1,015,932)	(1,081,277)	(1,146,623)	(1,211,968)	(1,277,314)	(1,342,659)	(1,561,251)	(1,561,251)
142				Total G&I ADIT - Other	(9,337)	(10,135)	(10,933)	(11,731)	(12,529)	(13,326)	(14,124)	(14,922)	(15,720)	(16,517)	(17,315)	(18,113)	(23,429)	(23,429)
143				Total General & Intangible ADIT	(633,197)	(699,340)	(765,483)	(831,626)	(897,770)	(963,913)	(1,030,056)	(1,096,199)	(1,162,342)	(1,228,486)	(1,294,629)	(1,360,772)	(1,584,680)	(1,584,680)
144																		
145				Total ADIT	(633,197)	(699,340)	(765,483)	(831,626)	(897,770)	(963,913)	(1,030,056)	(1,096,199)	(1,162,342)	(1,228,486)	(1,294,629)	(1,360,772)	(1,584,680)	(1,584,680)
146																		
147				Total Rate Base	\$ 4,355,231	\$ 4,246,016	\$ 4,136,801	\$ 4,027,586	\$ 3,918,371	\$ 3,809,156	\$ 3,699,941	\$ 3,590,726	\$ 3,481,511	\$ 3,372,296	\$ 3,263,081	\$ 3,153,866	\$ 4,856,387	\$ 4,856,387
148																		
149	Weighted Average Cost of Capital				6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
150																		
151	Return on Rate Base					24,411	23,783	23,155	22,527	21,899	21,271	20,644	20,016	19,388	18,760	18,132	27,920	261,906
152																		

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-3																	
2	WP Data Management & Architecture - Estimated Year 2 Revenue Requirement Data Management & Architecture Project																	
3																		
4																		
5					Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Year 2* 2026
226	Federal Income Tax																	
227	Return Adjustments																	
228				Interest		(7,316)	(7,128)	(6,939)	(6,751)	(6,563)	(6,375)	(6,187)	(5,999)	(5,810)	(5,622)	(5,434)	(8,367)	(78,491)
229																		
230	Tax/Book Adjustments																	
231				AFUDC Equity Flow Through	-	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	19,500
232				R&D Credit Flow Through														
233				ITC Flow Through	-	-	-	-	-	-	-	-	-	-	-	-	-	-
234				Total Permanent Differences	-	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	19,500
235				Depreciation and AFUDC Debt		(260,406)	(260,406)	(260,406)	(260,406)	(260,406)	(260,406)	(260,406)	(260,406)	(260,406)	(260,406)	(260,406)	(881,529)	(3,745,999)
236				Deferred State Income Tax	-	14,508	14,508	14,508	14,508	14,508	14,508	14,508	14,508	14,508	14,508	14,508	49,113	208,701
237				Total Temporary Differences	-	(245,898)	(245,898)	(245,898)	(245,898)	(245,898)	(245,898)	(245,898)	(245,898)	(245,898)	(245,898)	(245,898)	(832,416)	(3,537,298)
238				Amortization of EDFIT														
239				Deferred Federal Income Taxes	-	51,639	51,639	51,639	51,639	51,639	51,639	51,639	51,639	51,639	51,639	51,639	174,807	(742,833)
240																		
241				Net Taxable Equity Return	-	(175,539)	(175,979)	(176,419)	(176,859)	(177,298)	(177,738)	(178,178)	(178,617)	(179,057)	(179,497)	(179,937)	(636,431)	(4,077,215)
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	-	(46,662)	(46,779)	(46,896)	(47,013)	(47,130)	(47,247)	(47,364)	(47,481)	(47,598)	(47,714)	(47,831)	(169,178)	(1,083,818)
244				Amortization of EDFIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	-	51,639	51,639	51,639	51,639	51,639	51,639	51,639	51,639	51,639	51,639	51,639	174,807	(742,833)
246				Investment Tax Credits														
247				Investment Tax Credits														
248				R&D Credits														
249				Total Federal Income Tax	-	4,976	4,859	4,742	4,626	4,509	4,392	4,275	4,158	4,041	3,924	3,807	5,629	(1,826,650)
250																		
251				State Income Tax														
252				Net Current Taxable Equity Return	-	(222,202)	(222,758)	(223,315)	(223,872)	(224,428)	(224,985)	(225,542)	(226,098)	(226,655)	(227,211)	(227,768)	(805,609)	(5,161,033)
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	-	(13,110)	(13,143)	(13,176)	(13,208)	(13,241)	(13,274)	(13,307)	(13,340)	(13,373)	(13,405)	(13,438)	(47,531)	(193,546)
255				Amortization of EDSIT	-													
256				Total Deferred State Income Tax	-	14,508	14,508	14,508	14,508	14,508	14,508	14,508	14,508	14,508	14,508	14,508	49,113	208,701
257				Total State Income Tax	-	1,398	1,365	1,332	1,300	1,267	1,234	1,201	1,168	1,135	1,103	1,070	1,582	15,154
258																		
259				Revenue Credits														
260				Opt-out Fee Revenue														
261				Total Revenue Credits		-	-	-	-	-	-	-	-	-	-	-	-	-
262																		
263				Total Revenue Requirement Before Revenue Tax		232,338	231,560	230,782	230,005	229,227	228,449	227,672	226,894	226,117	225,339	224,561	236,683	2,749,627
264				Revenue Tax Factor		0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax		1,182	1,178	1,174	1,170	1,166	1,162	1,158	1,154	1,150	1,146	1,142	1,204	13,984
266																		
267				Total Revenue Requirement		\$ 233,519	\$ 232,738	\$ 231,956	\$ 231,174	\$ 230,393	\$ 229,611	\$ 228,830	\$ 228,048	\$ 227,267	\$ 226,485	\$ 225,703	\$ 237,887	\$ 2,763,611
268																		
269				Revenue Requirement Summary														
270				Return on Rate Base	-	24,411	23,783	23,155	22,527	21,899	21,271	20,644	20,016	19,388	18,760	18,132	27,920	261,906
271				O&M	-	154,380	154,380	154,380	154,380	154,380	154,380	154,380	154,380	154,380	154,380	154,380	154,380	1,852,563
272				Depreciation Expense	-	43,072	43,072	43,072	43,072	43,072	43,072	43,072	43,072	43,072	43,072	43,072	43,072	516,862
273				Taxes Other Than Income	-	5,282	5,278	5,274	5,270	5,266	5,262	5,258	5,254	5,250	5,246	5,242	5,304	63,187
274				Net Allowable Federal Income Tax	-	4,976	4,859	4,742	4,626	4,509	4,392	4,275	4,158	4,041	3,924	3,807	5,629	53,939
275				Net Allowable State Income Tax	-	1,398	1,365	1,332	1,300	1,267	1,234	1,201	1,168	1,135	1,103	1,070	1,582	15,154
276				Revenue Credits		-	-	-	-	-	-	-	-	-	-	-	-	-
277				Total Revenue Requirement	\$ -	\$ 233,519	\$ 232,738	\$ 231,956	\$ 231,174	\$ 230,393	\$ 229,611	\$ 228,830	\$ 228,048	\$ 227,267	\$ 226,485	\$ 225,703	\$ 237,887	\$ 2,763,611
278																		
279				*Note: Year 2 Revenue Requirement reflects the sum of monthly totals.														

[illegible]

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-3																	
2	WP Distribution Automation - Estimated Year 2 Revenue Requirement Distribution Automation Project																	
3																		
4																		
5					Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Year 2* 2026
6	Gross Plant																	
10				Production Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11																		
12				Distribution Plant														
16				Distribution Plant - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21				Distribution Plant - Other	-	1,096,485	2,192,970	3,289,455	4,385,941	5,482,426	6,578,911	7,675,396	8,771,881	9,868,366	10,964,852	12,061,337	13,157,822	13,157,822
22				Total Distribution Plant	-	1,096,485	2,192,970	3,289,455	4,385,941	5,482,426	6,578,911	7,675,396	8,771,881	9,868,366	10,964,852	12,061,337	13,157,822	13,157,822
23																		
27				Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28																		
29				General & Intangible Plant														
33				G&I - Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38				G&I Plant - Other	-	772,611	1,545,222	2,317,832	3,090,443	3,863,054	4,635,665	5,408,275	6,180,886	6,953,497	7,726,108	8,498,718	9,271,329	9,271,329
39				Total General & Intangible Plant	-	772,611	1,545,222	2,317,832	3,090,443	3,863,054	4,635,665	5,408,275	6,180,886	6,953,497	7,726,108	8,498,718	9,271,329	9,271,329
40																		
41				Total Gross Plant	-	1,869,096	3,738,192	5,607,288	7,476,384	9,345,480	11,214,576	13,083,672	14,952,767	16,821,863	18,690,959	20,560,055	22,429,151	22,429,151
42																		
43	Accumulated Depreciation																	
47				Production Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48																		
49				Distribution Plant														
53				Distribution Plant - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
58				Distribution Plant - Other	-	-	(2,680)	(8,040)	(16,079)	(26,798)	(40,198)	(56,277)	(75,036)	(96,475)	(120,593)	(147,392)	(176,870)	(176,870)
59				Total Distribution Plant	-	-	(2,680)	(8,040)	(16,079)	(26,798)	(40,198)	(56,277)	(75,036)	(96,475)	(120,593)	(147,392)	(176,870)	(176,870)
60																		
64				Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65																		
66				General & Intangible Plant														
70				G&I - Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75				G&I Plant - Other	-	-	(3,629)	(10,888)	(21,776)	(36,293)	(54,440)	(76,215)	(101,620)	(130,655)	(163,319)	(199,612)	(239,534)	(239,534)
76				Total General & Intangible Plant	-	-	(3,629)	(10,888)	(21,776)	(36,293)	(54,440)	(76,215)	(101,620)	(130,655)	(163,319)	(199,612)	(239,534)	(239,534)
77																		
78				Total Accumulated Depreciation	-	-	(6,309)	(18,927)	(37,855)	(63,091)	(94,637)	(132,492)	(176,656)	(227,129)	(283,912)	(347,003)	(416,404)	(416,404)
79																		
80	ADIT																	
89				Total Production ADIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
90																		
91				Distribution ADIT														
100				Total Distribution ADIT - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110				Total Distribution ADIT - Other	-	(5,951)	(12,142)	(18,665)	(25,628)	(33,168)	(41,461)	(50,742)	(61,340)	(73,747)	(88,785)	(108,097)	(136,611)	(136,611)
111				Total Distribution ADIT	-	(5,951)	(12,142)	(18,665)	(25,628)	(33,168)	(41,461)	(50,742)	(61,340)	(73,747)	(88,785)	(108,097)	(136,611)	(136,611)
112																		
121				Total Transmission ADIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
122																		
123				General & Intangible ADIT														
132				Total G&I ADIT - Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-
142				Total G&I ADIT - Other	-	(5,158)	(11,112)	(18,032)	(26,122)	(35,641)	(46,919)	(60,397)	(76,693)	(96,731)	(122,057)	(155,758)	(207,093)	(207,093)
143				Total General & Intangible ADIT	-	(5,158)	(11,112)	(18,032)	(26,122)	(35,641)	(46,919)	(60,397)	(76,693)	(96,731)	(122,057)	(155,758)	(207,093)	(207,093)
144																		
145				Total ADIT	-	(11,108)	(23,254)	(36,697)	(51,750)	(68,809)	(88,380)	(111,139)	(138,032)	(170,478)	(210,842)	(263,855)	(343,705)	(343,705)
146																		
147	Total Rate Base				\$ -	\$ 1,857,988	\$ 3,708,628	\$ 5,551,664	\$ 7,386,779	\$ 9,213,579	\$11,031,558	\$12,840,040	\$14,638,079	\$16,424,256	\$18,196,205	\$19,949,197	\$21,669,043	\$ 21,669,043
148																		
149	Weighted Average Cost of Capital				6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
150																		
151	Return on Rate Base					10,682	21,321	31,917	42,468	52,970	63,422	73,819	84,156	94,425	104,613	114,691	124,578	819,063
152																		

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-3																	
2	WP Distribution Automation - Estimated Year 2 Revenue Requirement Distribution Automation Project																	
3																		
4																		
5					Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Year 2* 2026
226				Federal Income Tax														
227				Return Adjustments														
228				Interest		(3,201)	(6,390)	(9,565)	(12,727)	(15,875)	(19,007)	(22,123)	(25,221)	(28,298)	(31,351)	(34,372)	(37,335)	(245,465)
229																		
230				Tax/Book Adjustments														
231				AFUDC Equity Flow Through	-	-	238	476	714	952	1,190	1,428	1,666	1,904	2,142	2,380	2,618	15,710
232				R&D Credit Flow Through														
233				ITC Flow Through	-	-	-	-	-	-	-	-	-	-	-	-	-	-
234				Total Permanent Differences	-	-	238	476	714	952	1,190	1,428	1,666	1,904	2,142	2,380	2,618	15,710
235				Depreciation and AFUDC Debt	-	(43,733)	(47,820)	(52,922)	(59,266)	(67,161)	(77,052)	(89,603)	(105,878)	(127,740)	(158,914)	(208,709)	(314,371)	(1,353,168)
236				Deferred State Income Tax	-	2,437	2,664	2,948	3,302	3,742	4,293	4,992	5,899	7,117	8,854	11,628	17,515	75,389
237				Total Temporary Differences	-	(41,297)	(45,156)	(49,973)	(55,964)	(63,419)	(72,759)	(84,611)	(99,980)	(120,624)	(150,060)	(197,081)	(296,856)	(1,277,779)
238				Amortization of EDFIT														
239				Deferred Federal Income Taxes	-	8,672	9,483	10,494	11,752	13,318	15,279	17,768	20,996	25,331	31,513	41,387	62,340	(268,334)
240																		
241				Net Taxable Equity Return	-	(25,144)	(20,503)	(16,651)	(13,757)	(12,054)	(11,874)	(13,718)	(18,382)	(27,261)	(43,144)	(72,995)	(144,655)	(956,805)
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	-	(6,684)	(5,450)	(4,426)	(3,657)	(3,204)	(3,156)	(3,647)	(4,886)	(7,247)	(11,469)	(19,404)	(38,453)	(254,341)
244				Amortization of EDFIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	-	8,672	9,483	10,494	11,752	13,318	15,279	17,768	20,996	25,331	31,513	41,387	62,340	(268,334)
246				Investment Tax Credits														
247				Investment Tax Credits														
248				R&D Credits														
249				Total Federal Income Tax	-	1,989	4,032	6,068	8,096	10,114	12,123	14,122	16,109	18,084	20,044	21,983	23,887	(522,674)
250																		
251				State Income Tax														
252				Net Current Taxable Equity Return	-	(31,828)	(25,953)	(21,077)	(17,414)	(15,258)	(15,031)	(17,365)	(23,268)	(34,508)	(54,613)	(92,398)	(183,107)	(1,211,146)
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	-	(1,878)	(1,531)	(1,244)	(1,027)	(900)	(887)	(1,025)	(1,373)	(2,036)	(3,222)	(5,452)	(10,803)	(31,377)
255				Amortization of EDSIT	-													
256				Total Deferred State Income Tax	-	2,437	2,664	2,948	3,302	3,742	4,293	4,992	5,899	7,117	8,854	11,628	17,515	75,389
257				Total State Income Tax	-	559	1,133	1,705	2,274	2,842	3,406	3,968	4,526	5,081	5,631	6,176	6,711	44,012
258																		
259				Revenue Credits														
260				Opt-out Fee Revenue														
261				Total Revenue Credits		-	-	-	-	-	-	-	-	-	-	-	-	-
262																		
263				Total Revenue Requirement Before Revenue Tax		64,768	84,335	103,848	123,304	142,701	162,036	181,303	200,495	219,603	238,609	257,481	276,117	2,054,600
264				Revenue Tax Factor		0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax		329	429	528	627	726	824	922	1,020	1,117	1,214	1,309	1,404	10,449
266																		
267				Total Revenue Requirement		\$ 65,098	\$ 84,764	\$ 104,376	\$ 123,931	\$ 143,427	\$ 162,860	\$ 182,225	\$ 201,515	\$ 220,720	\$ 239,823	\$ 258,791	\$ 277,521	\$ 2,065,050
268																		
269				Revenue Requirement Summary														
270				Return on Rate Base	-	10,682	21,321	31,917	42,468	52,970	63,422	73,819	84,156	94,425	104,613	114,691	124,578	819,063
271				O&M	-	51,539	51,539	51,539	51,539	51,539	51,539	51,539	51,539	51,539	51,539	51,539	51,539	618,471
272				Depreciation Expense	-	-	6,309	12,618	18,927	25,237	31,546	37,855	44,164	50,473	56,782	63,091	69,401	416,404
273				Taxes Other Than Income	-	329	429	528	627	726	824	922	1,020	1,117	1,214	1,309	1,404	10,449
274				Net Allowable Federal Income Tax	-	1,989	4,032	6,068	8,096	10,114	12,123	14,122	16,109	18,084	20,044	21,983	23,887	156,651
275				Net Allowable State Income Tax	-	559	1,133	1,705	2,274	2,842	3,406	3,968	4,526	5,081	5,631	6,176	6,711	44,012
276				Revenue Credits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
277				Total Revenue Requirement	\$ -	\$ 65,098	\$ 84,764	\$ 104,376	\$ 123,931	\$ 143,427	\$ 162,860	\$ 182,225	\$ 201,515	\$ 220,720	\$ 239,823	\$ 258,791	\$ 277,521	\$ 2,065,050
278																		
279				*Note: Year 2 Revenue Requirement reflects the sum of monthly totals.														

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-3																	
2	WP Telecommunications - Estimated Year 2 Revenue Requirement				Telecommunications Project													
3																		
4																		
5					Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Year 2* 2026
6		Gross Plant																
10		Production Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
11																		
12		Distribution Plant																
16		Distribution Plant - Meters			-	-	-	-	-	-	-	-	-	-	-	-	-	-
21		Distribution Plant - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
22		Total Distribution Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
23																		
27		Transmission Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
28																		
29		General & Intangible Plant																
33		G&I - Software			-	-	-	-	-	-	-	-	-	-	-	-	-	-
38		G&I Plant - Other			3,307,052	3,886,804	4,466,557	5,046,309	5,626,061	6,205,814	6,785,566	7,365,319	7,945,071	8,524,824	9,104,576	9,684,328	12,853,004	12,853,004
39		Total General & Intangible Plant			3,307,052	3,886,804	4,466,557	5,046,309	5,626,061	6,205,814	6,785,566	7,365,319	7,945,071	8,524,824	9,104,576	9,684,328	12,853,004	12,853,004
40																		
41		Total Gross Plant			3,307,052	3,886,804	4,466,557	5,046,309	5,626,061	6,205,814	6,785,566	7,365,319	7,945,071	8,524,824	9,104,576	9,684,328	12,853,004	12,853,004
42																		
43		Accumulated Depreciation																
47		Production Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
48																		
49		Distribution Plant																
53		Distribution Plant - Meters			-	-	-	-	-	-	-	-	-	-	-	-	-	-
58		Distribution Plant - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
59		Total Distribution Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
60																		
64		Transmission Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-
65																		
66		General & Intangible Plant																
70		G&I - Software			-	-	-	-	-	-	-	-	-	-	-	-	-	-
75		G&I Plant - Other			(165,080)	(180,615)	(198,873)	(219,854)	(243,559)	(269,987)	(299,139)	(331,014)	(365,612)	(402,933)	(442,978)	(485,747)	(531,238)	(531,238)
76		Total General & Intangible Plant			(165,080)	(180,615)	(198,873)	(219,854)	(243,559)	(269,987)	(299,139)	(331,014)	(365,612)	(402,933)	(442,978)	(485,747)	(531,238)	(531,238)
77																		
78		Total Accumulated Depreciation			(165,080)	(180,615)	(198,873)	(219,854)	(243,559)	(269,987)	(299,139)	(331,014)	(365,612)	(402,933)	(442,978)	(485,747)	(531,238)	(531,238)
79																		
80		ADIT																
89		Total Production ADIT			-	-	-	-	-	-	-	-	-	-	-	-	-	-
90																		
91		Distribution ADIT																
100		Total Distribution ADIT - Meters			-	-	-	-	-	-	-	-	-	-	-	-	-	-
110		Total Distribution ADIT - Other			-	-	-	-	-	-	-	-	-	-	-	-	-	-
111		Total Distribution ADIT			-	-	-	-	-	-	-	-	-	-	-	-	-	-
112																		
121		Total Transmission ADIT			-	-	-	-	-	-	-	-	-	-	-	-	-	-
122																		
123		General & Intangible ADIT																
132		Total G&I ADIT - Software			-	-	-	-	-	-	-	-	-	-	-	-	-	-
142		Total G&I ADIT - Other			(54,105)	(66,071)	(78,635)	(91,922)	(106,089)	(121,327)	(137,886)	(156,095)	(176,418)	(199,550)	(226,650)	(260,033)	(380,827)	(380,827)
143		Total General & Intangible ADIT			(54,105)	(66,071)	(78,635)	(91,922)	(106,089)	(121,327)	(137,886)	(156,095)	(176,418)	(199,550)	(226,650)	(260,033)	(380,827)	(380,827)
144																		
145		Total ADIT			(54,105)	(66,071)	(78,635)	(91,922)	(106,089)	(121,327)	(137,886)	(156,095)	(176,418)	(199,550)	(226,650)	(260,033)	(380,827)	(380,827)
146																		
147		Total Rate Base			\$ 3,087,866	\$ 3,640,118	\$ 4,189,049	\$ 4,734,532	\$ 5,276,413	\$ 5,814,499	\$ 6,348,542	\$ 6,878,211	\$ 7,403,042	\$ 7,922,340	\$ 8,434,948	\$ 8,938,548	\$11,940,939	\$ 11,940,939
148																		
149		Weighted Average Cost of Capital			6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
150																		
151		Return on Rate Base			17,753	20,928	24,083	27,219	30,335	33,428	36,499	39,544	42,561	45,547	48,494	51,389	68,650	486,429
152																		

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	PNM Exhibit TSB-3																	
2	WP Program Oversight - Estimated Year 2 Revenue Requirement Program Oversight Project																	
3																		
4																		
5					Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Year 2* 2026
226				Federal Income Tax														
227				Return Adjustments														
228				Interest		-	-	-	-	-	-	-	-	-	-	-	-	-
229																		
230				Tax/Book Adjustments														
231				AFUDC Equity Flow Through	-	-	-	-	-	-	-	-	-	-	-	-	-	-
232				R&D Credit Flow Through														
233				ITC Flow Through	-	-	-	-	-	-	-	-	-	-	-	-	-	-
234				Total Permanent Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
235				Depreciation and AFUDC Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
236				Deferred State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
237				Total Temporary Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
238				Amortization of EDFIT														
239				Deferred Federal Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
240																		
241				Net Taxable Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
244				Amortization of EDFIT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
246				Investment Tax Credits														
247				Investment Tax Credits														
248				R&D Credits														
249				Total Federal Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
250																		
251				State Income Tax														
252				Net Current Taxable Equity Return	-	-	-	-	-	-	-	-	-	-	-	-	-	-
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
255				Amortization of EDSIT														
256				Total Deferred State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
257				Total State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
258																		
259				Revenue Credits														
260				Opt-out Fee Revenue														
261				Total Revenue Credits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
262																		
263				Total Revenue Requirement Before Revenue Tax		179,091	179,091	179,091	179,091	179,091	179,091	179,091	179,091	179,091	179,091	179,091	179,091	2,149,087
264				Revenue Tax Factor		0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax		911	911	911	911	911	911	911	911	911	911	911	911	10,930
266																		
267				Total Revenue Requirement		\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 2,160,017
268																		
269				Revenue Requirement Summary														
270				Return on Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-
271				O&M	-	179,091	179,091	179,091	179,091	179,091	179,091	179,091	179,091	179,091	179,091	179,091	179,091	2,149,087
272				Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
273				Taxes Other Than Income	-	911	911	911	911	911	911	911	911	911	911	911	911	10,930
274				Net Allowable Federal Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
275				Net Allowable State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
276				Revenue Credits														
277				Total Revenue Requirement	\$ -	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 180,001	\$ 2,160,017
278																		
279				*Note: Year 2 Revenue Requirement reflects the sum of monthly totals.														

PNM Exhibit TSB-3
WP WACC
Approved in NMPRC Case No. 24-00089-UT

Line No.	Capital Component	Total Capitalization Test Period	Percentage of Total Capitalization	Capital Component Cost	Weighted Average Cost
1	Long Term Debt		48.75%	4.24%	2.07%
2	Preferred Stock		0.25%	4.62%	0.01%
3	Common Equity		51.00%	9.450%	4.82%
4	Total	0	100.00%		6.90%
				Tax Rate	25.40%
				Tax Gross Up:	
				Debt	2.07%
				Preferred	0.02%
				Equity	6.46%
				Total	8.54%

PNM Exhibit TSB-3			
WP Assumption - Rate Assumptions			
	Yearly Rate	Monthly Rate	
Property Tax Rate	2.96%	0.25%	
Advanced Metering (years)	20		
Composite Production Depr. Rate	2.00%	0.17%	
Composite Transmission Depr. Rate	2.65%	0.22%	
Composite Distribution Depr. Rate	2.93%	0.24%	
Software	10.00%	0.83%	
Composite General Plant Depr. Rate	5.64%	0.47%	
Meters Depreciation Rate	5.00%	0.42%	
AFUDC Equity Rate	3.997%		
AFUDC Debt Rate	1.951%		
	51.82%	Retail Share of Transmission	

Grid Modernization Years One through Six Revenue
Requirement by Project

PNM Exhibit TSB-4

Is contained in the following 23 pages.

PNM Exhibit TSB-4

Grid Modernization Years One through Six Revenue Requirement by Project

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<u>WP ADMS</u>	Estimated Revenue Requirement Calculation Associated with ADMS Project	Pages 4-5
<u>WP Advanced Metering</u>	Estimated Revenue Requirement Calculation Associated with Advanced Metering Project	Pages 6-7
<u>WP Customer Information & Analytics</u>	Estimated Revenue Requirement Calculation Associated with Customer Information & Analytics Project	Pages 8-9
<u>WP Cybersecurity</u>	Estimated Revenue Requirement Calculation Associated with Cybersecurity Project	Pages 10-11
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<u>WP Distribution Planning & Engineering</u>	Estimated Revenue Requirement Calculation Associated with Distribution Planning & Engineering Project	Pages 14-15
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<u>WP Telecommunications</u>	Estimated Revenue Requirement Calculation Associated with Telecommunications Project	Pages 18-19
<u>WP Project Oversight</u>	Estimated Revenue Requirement Calculation Associated with Project Oversight Project	Pages 20-21
<u>WP WACC</u>	PNM Recently Approved Weighted Average Cost of Capital	Page 22
<u>WP Rate Assumption</u>	PNM Assumptions for Depreciation and Property Taxes	Page 23

	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	Total Estimated Grid Modernization Revenue Requirement									
3	All Projects									
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5					2025	2026	2027	2028	2029	2030
6	Gross Plant									
10				Production Plant	-	-	-	-	-	-
11										
12				Distribution Plant						
16				Distribution Plant - Meters	\$ 3,409,560	\$ 16,838,513	\$ 81,127,440	\$ 130,239,221	\$ 131,333,537	\$ 131,333,537
21				Distribution Plant - Other	-	13,157,822	29,295,024	45,947,431	63,382,970	81,525,497
22				Total Distribution Plant	3,409,560	29,996,335	110,422,465	176,186,652	194,716,507	212,859,034
23										
27				Transmission Plant	-	-	-	-	-	-
28										
29				General & Intangible Plant						
33				G&I - Software	16,301,278	46,977,527	50,952,105	69,480,354	78,972,718	94,366,703
38				G&I Plant - Other	7,507,844	31,433,846	40,250,223	46,771,154	53,399,890	60,088,170
39				Total General & Intangible Plant	23,809,122	78,411,373	91,202,328	116,251,508	132,372,608	154,454,873
40										
41				Total Gross Plant	27,218,682	108,407,708	201,624,792	292,438,160	327,089,115	367,313,907
42										
43	Accumulated Depreciation									
47				Production Plant	-	-	-	-	-	-
48										
49				Distribution Plant						
53				Distribution Plant - Meters	(11,623)	(239,494)	(1,081,420)	(5,137,792)	(11,649,753)	(18,216,430)
58				Distribution Plant - Other	-	(176,870)	(562,768)	(1,421,945)	(2,769,511)	(4,628,434)
59				Total Distribution Plant	(11,623)	(416,364)	(1,644,188)	(6,559,737)	(14,419,264)	(22,844,864)
60										
64				Transmission Plant	-	-	-	-	-	-
65										
66				General & Intangible Plant						
70				G&I - Software	(416,022)	(2,527,712)	(7,225,464)	(12,320,675)	(19,268,710)	(27,165,982)
75				G&I Plant - Other	(183,282)	(1,208,882)	(2,980,789)	(5,249,670)	(7,886,132)	(10,896,251)
76				Total General & Intangible Plant	(599,304)	(3,736,594)	(10,206,254)	(17,570,345)	(27,154,842)	(38,062,233)
77										
78				Total Accumulated Depreciation	(610,927)	(4,152,958)	(11,850,442)	(24,130,082)	(41,574,106)	(60,907,097)
79										
80	ADIT									
89				Total Production ADIT	-	-	-	-	-	-
90										
91				Distribution ADIT						
100				Total Distribution ADIT - Meters	(43,761)	(230,621)	(2,564,036)	(6,311,758)	(9,536,459)	(11,759,516)
110				Total Distribution ADIT - Other	-	(136,611)	(490,574)	(998,088)	(1,648,393)	(2,429,512)
111				Total Distribution ADIT	(43,761)	(367,232)	(3,054,610)	(7,309,845)	(11,184,852)	(14,189,029)
112										
121				Total Transmission ADIT	-	-	-	-	-	-
122										
123				General & Intangible ADIT						
132				Total G&I ADIT - Software	(1,558,143)	(5,748,600)	(8,695,891)	(11,833,789)	(12,783,687)	(14,436,573)
142				Total G&I ADIT - Other	(170,016)	(928,850)	(2,040,040)	(3,086,113)	(4,044,143)	(

	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	Total Estimated Grid Modernization Revenue Requirement									
3	All Projects									
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5					2025	2026	2027	2028	2029	2030
172	Depreciation Expense									
176				Production Depreciation Expense	-	-	-	-	-	-
177										
178				Distribution Depreciation Expense						
182				Distribution Depreciation Expense - Meters	11,623	227,871	841,926	4,056,372	6,511,961	6,566,677
187				Distribution Depreciation Expense - Other	-	176,870	385,898	859,177	1,347,566	1,858,923
188				Distribution Depreciation Expense Total	11,623	404,741	1,227,824	4,915,549	7,859,527	8,425,600
189										
193				Total Transmission Depreciation Expense	-	-	-	-	-	-
194										
195				General & Intangible Depreciation Expense						
199				G&I Depreciation Expense - Software	416,022	2,111,690	4,697,753	5,095,210	6,948,035	7,897,272
204				G&I Depreciation Expense - Other	183,282	1,025,600	1,771,907	2,268,881	2,636,462	3,010,119
205				Total General & Intangible Depreciation Expense	599,304	3,137,290	6,469,660	7,364,091	9,584,497	10,907,391
206										
207				Total Depreciation Expense	610,927	3,542,031	7,697,483	12,279,640	17,444,024	19,332,991
208										
209	Property Tax									
210				Production Property Tax	-	-	-	-	-	-
211										
212				Distribution Property Tax						
213				Meters	-	33,515	163,723	789,527	1,233,928	1,180,491
214				Other	-	-	128,037	283,398	439,174	597,856
215				Total Distribution Property Tax	-	33,515	291,760	1,072,926	1,673,101	1,778,347
216										
217				Transmission Property Tax	-	-	-	-	-	-
218										
219				General & Intangible Property Tax						
220				Software	-	156,683	438,427	431,294	563,790	588,886
221				Other	-	72,245	298,121	367,604	409,544	448,921
222				Total General & Intangible Property Tax	-	228,928	736,549	798,898	973,334	1,037,807
223										
224				Total Property Taxes	-	262,443	1,028,308	1,871,824	2,646,435	2,816,154
225										
226	Federal Income Tax									
227	Return Adjustments									
228				Interest	(191,218)	(1,053,652)	(3,638,557)	(5,087,797)	(5,323,995)	(5,641,625)
229										
230	Tax/Book Adjustments									
231				AFUDC Equity Flow Through	23,049	133,633	290,409	463,284	658,125	729,391
232				R&D Credit Flow Through						
233				ITC Flow Through	-	-	-	-	-	-
234				Total Permanent Differences	23,049	133,633	290,409	463,284	658,125	729,391
235				Depreciation and AFUDC Debt	(6,976,063)	(20,758,907)	(26,558,501)	(33,225,218)	(22,767,461)	(21,768,276)
236				Deferred State Income Tax	388,657	1,156,540	1,479,652	1,851,074	1,268,442	1,212,775
237				Total Temporary Differences	(6,587,406)	(19,602,367)	(25,078,849)	(31,374,144)	(21,499,019)	(20,555,501)
238				Amortization of EDFIT						
239				Deferred Federal Income Taxes	1,383,355	4,116,497	5,266,558	6,588,570	4,514,794	4,316,655
240										
241				Net Taxable Equity Return	(4,734,168)	(12,890,083)	(11,019,369)	(12,433,218)	(3,885,087)	(2,326,208)
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	(1,258,451)	(3,426,481)	(2,929,202)	(3,305,035)	(1,032,746)	(618,360)
244				Amortization of EDFIT	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	1,383,355	4,116,497	5,266,558	6,588,570	4,514,794	4,316,655
246	Investment Tax Credits									
247				Investment Tax Credits						
248				R&D Credits						
249				Total Federal Income Tax	124,904	690,017	2,337,357	3,283,535	3,482,048	3,698,296
250										
251	State Income Tax									
252				Net Current Taxable Equity Return	(5,992,619)	(16,316,564)	(13,948,571)	(15,738,254)	(4,917,833)	(2,944,567)
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	(353,565)	(962,677)	(822,966)	(928,557)	(290,152)	(173,729)
255				Amortization of EDSIT						
256				Total Deferred State Income Tax	388,657	1,156,540	1,479,652	1,851,074	1,268,442	1,212,775
257				Total State Income Tax	35,092	193,862	656,686	922,518	978,290	1,039,045
258										
259	Revenue Credits									
260				Opt-out Fee Revenue	-	-	(13,568)	(12,281)	(591,395)	(591,395)
261				Total Revenue Credits	-	-	(13,568)	(12,281)	(591,395)	(591,395)
262										
263				Total Revenue Requirement Before Revenue Tax	10,165,944	19,472,360	34,521,586	44,829,347	50,768,390	50,889,132
264				Revenue Tax Factor	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax	51,701	99,031	175,568	227,990	258,195	258,809
266										
267	Total Revenue Requirement				\$ 10,217,645	\$ 19,571,391	\$ 34,697,154	\$ 45,057,337	\$ 51,026,584	\$ 51,147,941
268										
269	Revenue Requirement Summary									
270				Return on Rate Base	638,051	3,515,805	12,141,069	16,976,869	17,765,007	18,824,872
271				O&M	8,756,968	11,268,202	10,674,250	9,507,243	9,043,980	5,769,169
272				Depreciation Expense	610,927	3,542,031	7,697,483	12,279,640	17,444,024	19,332,991
273				Taxes Other Than Income	51,701	361,475	1,203,876	2,099,814	2,904,630	3,074,963
274				Net Allowable Federal Income Tax	124,904	690,017	2,337,357	3,283,535	3,482,048	3,698,296
275				Net Allowable State Income Tax	35,092	193,862	656,686	922,518	978,290	1,039,045
276				Revenue Credits	-	-	(13,568)	(12,281)	(591,395)	(591,395)
277				Total Revenue Requirement	\$ 10,217,645	\$ 19,571,391	\$ 34,697,154	\$ 45,057,337	\$ 51,026,584	\$ 51,147,941
278										
279	*Note: Year 1 and 2 Revenue Requirements reflect the sum of monthly totals. The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the monthly columns for print formatting purposes. For year 1 and 2 monthly activity, please refer to PNM Exhibits TSB-2 and TSB-3.									

[illegible]

	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	WP ADMS - Estimated Revenue Requirement ADMS Project									
3										
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5					2025	2026	2027	2028	2029	2030
172		Depreciation Expense								
176				Production Depreciation Expense	-	-	-	-	-	-
177										
178				Distribution Depreciation Expense						
182				Distribution Depreciation Expense - Meters	-	-	-	-	-	-
187				Distribution Depreciation Expense - Other	-	-	-	-	-	-
188				Distribution Depreciation Expense Total	-	-	-	-	-	-
189										
193				Total Transmission Depreciation Expense	-	-	-	-	-	-
194										
195				General & Intangible Depreciation Expense						
199				G&I Depreciation Expense - Software	-	-	-	-	756,980	756,980
204				G&I Depreciation Expense - Other	-	-	-	-	-	-
205				Total General & Intangible Depreciation Expense	-	-	-	-	756,980	756,980
206										
207				Total Depreciation Expense	-	-	-	-	756,980	756,980
208										
209		Property Tax								
210				Production Property Tax	-	-	-		-	-
211										
212				Distribution Property Tax						
213				Meters	-	-	-	-	-	-
214				Other	-	-	-	-	-	-
215				Total Distribution Property Tax	-	-	-	-	-	-
216										
217				Transmission Property Tax	-	-	-	-	-	-
218										
219				General & Intangible Property Tax						
220				Software	-	-	-	-	74,664	67,198
221				Other	-	-	-	-	-	-
222				Total General & Intangible Property Tax	-	-	-	-	74,664	67,198
223										
224				Total Property Taxes	-	-	-	-	74,664	67,198
225										
226		Federal Income Tax								
227		Return Adjustments								
228				Interest	-	-	-	(142,830)	(118,056)	(384,638)
229										
230		Tax/Book Adjustments								
231				AFUDC Equity Flow Through	-	-	-	-	28,559	28,559
232				R&D Credit Flow Through	-	-	-	-	-	-
233				ITC Flow Through	-	-	-	-	-	-
234				Total Permanent Differences	-	-	-	-	28,559	28,559
235				Depreciation and AFUDC Debt	-	-	-	(2,604,890)	(1,737,061)	(6,863,797)
236				Deferred State Income Tax	-	-	-	145,126	96,777	382,402
237				Total Temporary Differences	-	-	-	(2,459,764)	(1,640,284)	(6,481,395)
238				Amortization of EDFIT	-	-	-	-	-	-
239				Deferred Federal Income Taxes	-	-	-	516,550	344,460	1,361,093
240										
241				Net Taxable Equity Return	-	-	-	(1,609,452)	(991,393)	(4,192,927)
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	-	-	-	(427,829)	(263,535)	(1,114,576)
244				Amortization of EDFIT	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	-	-	-	516,550	344,460	1,361,093
246		Investment Tax Credits								
247				Investment Tax Credits	-	-	-	-	-	-
248				R&D Credits	-	-	-	-	-	-
249				Total Federal Income Tax	-	-	-	88,721	80,925	246,516
250										
251		State Income Tax								
252				Net Current Taxable Equity Return	-	-	-	(2,037,281)	(1,254,928)	(5,307,504)
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	-	-	-	(120,200)	(74,041)	(313,143)
255				Amortization of EDSIT	-	-	-	-	-	-
256				Total Deferred State Income Tax	-	-	-	145,126	96,777	382,402
257				Total State Income Tax	-	-	-	24,926	22,736	69,260
258										
259		Revenue Credits								
260				Opt-out Fee Revenue	-	-	-	-	-	-
261				Total Revenue Credits	-	-	-	-	-	-
262										
263				Total Revenue Requirement Before Revenue Tax	133,333	133,333	833,333	1,448,572	3,213,816	4,385,553
264				Revenue Tax Factor	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax	678	678	4,238	7,367	16,345	22,304
266										
267				Total Revenue Requirement	\$ 134,011	\$ 134,011	\$ 837,571	\$ 1,455,939	\$ 3,230,161	\$ 4,407,857
268										
269		Revenue Requirement Summary								
270				Return on Rate Base	-	-	-	476,591	393,928	1,283,454
271				O&M	133,333	133,333	833,333	858,333	1,884,583	1,962,146
272				Depreciation Expense	-	-	-	-	756,980	756,980
273				Taxes Other Than Income	678	678	4,238	7,367	91,009	89,501
274				Net Allowable Federal Income Tax	-	-	-	88,721	80,925	246,516
275				Net Allowable State Income Tax	-	-	-	24,926	22,736	69,260
276				Revenue Credits	-	-	-	-	-	-
277				Total Revenue Requirement	\$ 134,011	\$ 134,011	\$ 837,571	\$ 1,455,939	\$ 3,230,161	\$ 4,407,857
278										
279		*Note: Year 1 and 2 Revenue Requirements reflect the sum of monthly totals. The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the monthly columns for print formatting purposes. For year 1 and 2 monthly activity, please refer to PNM Exhibits TSB-2 and TSB-3.								

	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	WP Advanced Metering - Estimated Revenue Requirement Advanced Metering Project									
3										
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5					2025	2026	2027	2028	2029	2030
6	Gross Plant									
10				Production Plant	-	-	-	-	-	-
11										
12				Distribution Plant						
16				Distribution Plant - Meters	3,409,560	16,838,513	81,127,440	130,239,221	131,333,537	131,333,537
21				Distribution Plant - Other	-	-	-	-	-	-
22				Total Distribution Plant	3,409,560	16,838,513	81,127,440	130,239,221	131,333,537	131,333,537
23										
27				Transmission Plant	-	-	-	-	-	-
28										
29				General & Intangible Plant						
33				G&I - Software	11,237,055	31,842,367	32,712,198	33,147,927	40,226,583	40,226,583
38				G&I Plant - Other	3,874,898	8,460,917	8,460,917	8,460,917	8,460,917	8,460,917
39				Total General & Intangible Plant	15,111,952	40,303,284	41,173,115	41,608,844	48,687,500	48,687,500
40										
41				Total Gross Plant	18,521,513	57,141,796	122,300,555	171,848,065	180,021,037	180,021,037
42										
43	Accumulated Depreciation									
47				Production Plant	-	-	-	-	-	-
48										
49				Distribution Plant						
53				Distribution Plant - Meters	(11,623)	(239,494)	(1,081,420)	(5,137,792)	(11,649,753)	(18,216,430)
58				Distribution Plant - Other	-	-	-	-	-	-
59				Total Distribution Plant	(11,623)	(239,494)	(1,081,420)	(5,137,792)	(11,649,753)	(18,216,430)
60										
64				Transmission Plant	-	-	-	-	-	-
65										
66				General & Intangible Plant						
70				G&I - Software	(93,642)	(1,632,354)	(4,816,591)	(8,087,811)	(11,402,604)	(15,425,262)
75				G&I Plant - Other	(18,202)	(419,740)	(896,677)	(1,373,613)	(1,850,550)	(2,327,487)
76				Total General & Intangible Plant	(111,844)	(2,052,094)	(5,713,268)	(9,461,424)	(13,253,154)	(17,752,749)
77										
78				Total Accumulated Depreciation	(123,468)	(2,291,588)	(6,794,687)	(14,599,216)	(24,902,907)	(35,969,179)
79										
80	ADIT									
89				Total Production ADIT	-	-	-	-	-	-
90										
91				Distribution ADIT						
100				Total Distribution ADIT - Meters	(43,761)	(230,621)	(2,564,036)	(6,311,758)	(9,536,459)	(11,759,516)
110				Total Distribution ADIT - Other	-	-	-	-	-	-
111				Total Distribution ADIT	(43,761)	(230,621)	(2,564,036)	(6,311,758)	(9,536,459)	(11,759,516)
112										
121				Total Transmission ADIT	-	-	-	-	-	-
122										
123				General & Intangible ADIT						
132				Total G&I ADIT - Software	(927,575)	(3,491,812)	(5,331,733)	(6,285,195)	(6,178,124)	(5,795,415)
142				Total G&I ADIT - Other	(106,574)	(307,042)	(522,142)	(670,908)	(766,644)	(819,907)
143				Total General & Intangible ADIT	(1,034,149)	(3,798,854)	(5,853,875)	(6,956,103)	(6,944,768)	(6,615,322)
144										
145				Total ADIT	(1,077,910)	(4,029,475)	(8,417,911)	(13,267,861)	(16,481,227)	(18,374,838)
146										
147	Total Rate Base				\$ 17,320,135	\$ 50,820,733	\$ 107,087,957	\$ 143,980,988	\$ 138,636,903	\$ 125,677,020
148										
149	Weighted Average Cost of Capital				6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
150										
151	Return on Rate Base				199,077	1,872,751	7,387,966	9,933,205	9,564,518	8,670,419
152										
153	O&M									
154				Production O&M	-	-	-	-	-	-
155										
156				Distribution O&M						
157				Meters	2,227,427	2,856,563	1,396,138	(458,817)	(2,323,872)	(6,183,296)
158				Other	-	-	-	-	-	-
159				Total Distribution O&M	2,227,427	2,856,563	1,396,138	(458,817)	(2,323,872)	(6,183,296)
160										
161				Transmission O&M	-	-	-	-	-	-
162										
163				General & Intangible O&M						
164				Software	1,254,979	1,254,979	1,254,979	1,254,979	1,254,979	1,254,979
165				Other	69,390	-	-	69,390	-	-
166				Total General & Intangible O&M	1,324,369	1,254,979	1,254,979	1,324,369	1,254,979	1,254,979
167										
168				A&G	-	-	-	-	-	-
169										
170				Total O&M	3,551,796	4,111,542	2,651,117	865,552	(1,068,893)	(4,928,317)
171										

	A	B	C	D	R	AE	AF	AG	AH	AI	
1	PNM Exhibit TSB-4										
2	WP Advanced Metering - Estimated Revenue Requirement Advanced Metering Project										
3											
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
5					2025	2026	2027	2028	2029	2030	
172				Depreciation Expense							
176				Production Depreciation Expense	-	-	-	-	-	-	
177											
178				Distribution Depreciation Expense							
182				Distribution Depreciation Expense - Meters	11,623	227,871	841,926	4,056,372	6,511,961	6,566,677	
187				Distribution Depreciation Expense - Other	-	-	-	-	-	-	
188				Distribution Depreciation Expense Total	11,623	227,871	841,926	4,056,372	6,511,961	6,566,677	
189											
193				Total Transmission Depreciation Expense	-	-	-	-	-	-	
194											
195				General & Intangible Depreciation Expense							
199				G&I Depreciation Expense - Software	93,642	1,538,712	3,184,237	3,271,220	3,314,793	4,022,658	
204				G&I Depreciation Expense - Other	18,202	401,538	476,937	476,937	476,937	476,937	
205				Total General & Intangible Depreciation Expense	111,844	1,940,250	3,661,173	3,748,157	3,791,729	4,499,595	
206											
207				Total Depreciation Expense	123,468	2,168,121	4,503,099	7,804,529	10,303,691	11,066,272	
208											
209				Property Tax							
210				Production Property Tax	-	-	-	-	-	-	
211											
212				Distribution Property Tax							
213				Meters	-	33,515	163,723	789,527	1,233,928	1,180,491	
214				Other	-	-	-	-	-	-	
215				Total Distribution Property Tax	-	33,515	163,723	789,527	1,233,928	1,180,491	
216											
217				Transmission Property Tax	-	-	-	-	-	-	
218											
219				General & Intangible Property Tax							
220				Software	-	109,912	297,974	275,146	247,178	284,303	
221				Other	-	38,040	79,314	74,609	69,905	65,201	
222				Total General & Intangible Property Tax	-	147,952	377,288	349,755	317,083	349,504	
223											
224				Total Property Taxes	-	181,468	541,011	1,139,283	1,551,011	1,529,995	
225											
226				Federal Income Tax							
227				Return Adjustments							
228				Interest	(59,661)	(561,245)	(2,214,099)	(2,976,882)	(2,866,390)	(2,598,438)	
229											
230				Tax/Book Adjustments							
231				AFUDC Equity Flow Through	4,658	81,798	169,892	294,448	388,736	417,506	
232				R&D Credit Flow Through	2,274	-	-	-	-	-	
233				ITC Flow Through	-	-	-	-	-	-	
234				Total Permanent Differences	6,932	81,798	169,892	294,448	388,736	417,506	
235				Depreciation and AFUDC Debt	(4,243,739)	(11,620,337)	(17,277,307)	(19,094,290)	(12,651,048)	(7,455,161)	
236				Deferred State Income Tax	236,431	647,403	962,569	1,063,799	704,827	415,349	
237				Total Temporary Differences	(4,007,308)	(10,972,934)	(16,314,737)	(18,030,491)	(11,946,221)	(7,039,812)	
238				Amortization of EDFIT	-	-	-	-	-	-	
239				Deferred Federal Income Taxes	(841,535)	2,304,316	3,426,095	3,786,403	2,508,706	1,478,361	
240											
241				Net Taxable Equity Return	(4,702,495)	(7,275,313)	(7,544,884)	(6,993,318)	(2,350,651)	928,036	
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	
243				Total Current Federal Income Tax	(1,250,031)	(1,933,946)	(2,005,604)	(1,858,985)	(624,857)	246,693	
244				Amortization of EDFIT	-	-	-	-	-	-	
245				Total Provision for Federal Income Tax	(841,535)	2,304,316	3,426,095	3,786,403	2,508,706	1,478,361	
246				Investment Tax Credits							
247				Investment Tax Credits	-	-	-	-	-	-	
248				R&D Credits	-	-	-	-	-	-	
249				Total Federal Income Tax	(2,091,566)	370,371	1,420,491	1,927,418	1,883,849	1,725,054	
250											
251				State Income Tax							
252				Net Current Taxable Equity Return	(5,952,526)	(9,209,258)	(9,550,488)	(8,852,303)	(2,975,509)	1,174,730	
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	
254				Total Current State Income Tax	(225,671)	(543,346)	(563,479)	(522,286)	(175,555)	69,309	
255				Amortization of EDSIT	-	-	-	-	-	-	
256				Total Deferred State Income Tax	236,431	647,403	962,569	1,063,799	704,827	415,349	
257				Total State Income Tax	10,760	104,057	399,091	541,513	529,272	484,658	
258											
259				Revenue Credits							
260				Opt-out Fee Revenue	-	-	(13,568)	(12,281)	(591,395)	(591,395)	
261				Total Revenue Credits	-	-	(13,568)	(12,281)	(591,395)	(591,395)	
262											
263				Total Revenue Requirement Before Revenue Tax	3,923,398	8,808,308	16,889,205	22,199,218	22,172,053	17,956,687	
264				Revenue Tax Factor	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	
265				Revenue Tax	19,953	44,797	85,894	112,899	112,761	91,323	
266											
267				Total Revenue Requirement	\$ 3,943,352	\$ 8,853,105	\$ 16,975,099	\$ 22,312,118	\$ 22,284,814	\$ 18,048,010	
268											
269				Revenue Requirement Summary							
270				Return on Rate Base	199,077	1,872,751	7,387,966	9,933,205	9,564,518	8,670,419	
271				O&M	3,551,796	4,111,542	2,651,117	865,552	(1,068,893)	(4,928,317)	
272				Depreciation Expense	123,468	2,168,121	4,503,099	7,804,529	10,303,691	11,066,272	
273				Taxes Other Than Income	19,953	226,264	626,905	1,252,182	1,663,773	1,621,318	
274				Net Allowable Federal Income Tax	38,298	370,371	1,420,491	1,927,418	1,883,849	1,725,054	
275				Net Allowable State Income Tax	10,760	104,057	399,091	541,513	529,272	484,658	
276				Revenue Credits	-	-	(13,568)	(12,281)	(591,395)	(591,395)	
277				Total Revenue Requirement	\$ 3,943,352	\$ 8,853,105	\$ 16,975,099	\$ 22,312,118	\$ 22,284,814	\$ 18,048,010	
278											
279				*Note: Year 1 and 2 Revenue Requirements reflect the sum of monthly totals. The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the monthly columns for print formatting purposes. For year 1 and 2 monthly activity, please refer to PNM Exhibits TSB-2 and TSB-3.							

[illegible]

	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	WP Customer Information & Analytics - Estimated Revenue Requirement Customer Information & Analytics Project									
3										
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5					2025	2026	2027	2028	2029	2030
172				Depreciation Expense						
176				Production Depreciation Expense	-	-	-	-	-	-
177										
178				Distribution Depreciation Expense						
182				Distribution Depreciation Expense - Meters	-	-	-	-	-	-
187				Distribution Depreciation Expense - Other	-	-	-	-	-	-
188				Distribution Depreciation Expense Total	-	-	-	-	-	-
189										
193				Total Transmission Depreciation Expense	-	-	-	-	-	-
194										
195				General & Intangible Depreciation Expense						
199				G&I Depreciation Expense - Software	-	66,555	408,264	437,352	612,205	612,205
204				G&I Depreciation Expense - Other	-	-	-	-	-	-
205				Total General & Intangible Depreciation Expense	-	66,555	408,264	437,352	612,205	612,205
206										
207				Total Depreciation Expense	-	66,555	408,264	437,352	612,205	612,205
208										
209				Property Tax						
210				Production Property Tax	-	-	-	-	-	-
211										
212				Distribution Property Tax						
213				Meters	-	-	-	-	-	-
214				Other	-	-	-	-	-	-
215				Total Distribution Property Tax	-	-	-	-	-	-
216										
217				Transmission Property Tax	-	-	-	-	-	-
218										
219				General & Intangible Property Tax						
220				Software	-	-	39,612	38,454	51,387	45,349
221				Other	-	-	-	-	-	-
222				Total General & Intangible Property Tax	-	-	39,612	38,454	51,387	45,349
223										
224				Total Property Taxes	-	-	39,612	38,454	51,387	45,349
225										
226				Federal Income Tax						
227				Return Adjustments						
228				Interest	-	(19,456)	(68,613)	(87,648)	(74,715)	(62,262)
229										
230				Tax/Book Adjustments						
231				AFUDC Equity Flow Through	-	2,511	15,403	16,500	23,097	23,097
232				R&D Credit Flow Through	-	-	-	-	-	-
233				ITC Flow Through	-	-	-	-	-	-
234				Total Permanent Differences	-	2,511	15,403	16,500	23,097	23,097
235				Depreciation and AFUDC Debt	-	(1,295,489)	(988,486)	(1,537,463)	(52,530)	38,986
236				Deferred State Income Tax	-	72,175	55,071	85,657	2,927	(2,172)
237				Total Temporary Differences	-	(1,223,313)	(933,414)	(1,451,806)	(49,603)	36,814
238				Amortization of EDFIT	-	-	-	-	-	-
239				Deferred Federal Income Taxes	-	256,896	196,017	304,879	10,417	(7,731)
240										
241				Net Taxable Equity Return	-	(918,442)	(561,660)	(925,611)	158,503	197,673
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	-	(244,143)	(149,302)	(246,049)	42,134	52,546
244				Amortization of EDFIT	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	-	256,896	196,017	304,879	10,417	(7,731)
246				Investment Tax Credits						
247				Investment Tax Credits	-	-	-	-	-	-
248				R&D Credits	-	-	-	-	-	-
249				Total Federal Income Tax	-	12,753	46,715	58,831	52,550	44,815
250										
251				State Income Tax						
252				Net Current Taxable Equity Return	-	(1,162,585)	(710,963)	(1,171,660)	200,637	250,219
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	-	(68,593)	(41,947)	(69,128)	11,838	14,763
255				Amortization of EDSIT	-	-	-	-	-	-
256				Total Deferred State Income Tax	-	72,175	55,071	85,657	2,927	(2,172)
257				Total State Income Tax	-	3,583	13,125	16,529	14,764	12,591
258										
259				Revenue Credits						
260				Opt-out Fee Revenue	-	-	-	-	-	-
261				Total Revenue Credits	-	-	-	-	-	-
262										
263				Total Revenue Requirement Before Revenue Tax	1,146,000	1,312,495	2,268,631	2,611,132	2,788,126	2,771,749
264				Revenue Tax Factor	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax	5,828	6,675	11,538	13,280	14,180	14,096
266										
267				Total Revenue Requirement	\$ 1,151,828	\$ 1,319,170	\$ 2,280,169	\$ 2,624,412	\$ 2,802,305	\$ 2,785,846
268										
269				Revenue Requirement Summary						
270				Return on Rate Base	-	64,921	228,947	292,464	249,307	207,755
271				O&M	1,146,000	1,164,683	1,531,969	1,767,503	1,807,911	1,849,034
272				Depreciation Expense	-	66,555	408,264	437,352	612,205	612,205
273				Taxes Other Than Income	5,828	6,675	51,150	51,734	65,567	59,445
274				Net Allowable Federal Income Tax	-	12,753	46,715	58,831	52,550	44,815
275				Net Allowable State Income Tax	-	3,583	13,125	16,529	14,764	12,591
276				Revenue Credits	-	-	-	-	-	-
277				Total Revenue Requirement	\$ 1,151,828	\$ 1,319,170	\$ 2,280,169	\$ 2,624,412	\$ 2,802,305	\$ 2,785,846
278										
279				*Note: Year 1 and 2 Revenue Requirements reflect the sum of monthly totals. The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the monthly columns for print formatting purposes. For year 1 and 2 monthly activity, please refer to PNM Exhibits TSB-2 and TSB-3.						

A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4								
2	WP Cybersecurity - Estimated Revenue Requirement Cybersecurity Project								
3									
4				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5				2025	2026	2027	2028	2029	2030
6	Gross Plant								
10			Production Plant	-	-	-	-	-	-
11									
12			Distribution Plant						
16			Distribution Plant - Meters	-	-	-	-	-	-
21			Distribution Plant - Other	-	-	-	-	-	-
22			Total Distribution Plant	-	-	-	-	-	-
23									
27			Transmission Plant	-	-	-	-	-	-
28									
29			General & Intangible Plant						
33			G&I - Software	79,310	4,255,820	4,464,693	4,673,957	4,886,680	4,886,680
38			G&I Plant - Other	-	364,989	364,989	364,989	364,989	364,989
39			Total General & Intangible Plant	79,310	4,620,809	4,829,682	5,038,946	5,251,669	5,251,669
40									
41			Total Gross Plant	79,310	4,620,809	4,829,682	5,038,946	5,251,669	5,251,669
42									
43	Accumulated Depreciation								
47			Production Plant	-	-	-	-	-	-
48									
49			Distribution Plant						
53			Distribution Plant - Meters	-	-	-	-	-	-
58			Distribution Plant - Other	-	-	-	-	-	-
59			Total Distribution Plant	-	-	-	-	-	-
60									
64			Transmission Plant	-	-	-	-	-	-
65									
66			General & Intangible Plant						
70			G&I - Software	-	(7,931)	(433,513)	(879,982)	(1,347,378)	(1,836,046)
75			G&I Plant - Other	-	-	(20,574)	(41,148)	(61,723)	(82,297)
76			Total General & Intangible Plant	-	(7,931)	(454,087)	(921,131)	(1,409,101)	(1,918,343)
77									
78			Total Accumulated Depreciation	-	(7,931)	(454,087)	(921,131)	(1,409,101)	(1,918,343)
79									
80	ADIT								
89			Total Production ADIT	-	-	-	-	-	-
90									
91			Distribution ADIT						
100			Total Distribution ADIT - Meters	-	-	-	-	-	-
110			Total Distribution ADIT - Other	-	-	-	-	-	-
111			Total Distribution ADIT	-	-	-	-	-	-
112									
121			Total Transmission ADIT	-	-	-	-	-	-
122									
123			General & Intangible ADIT						
132			Total G&I ADIT - Software	(6,708)	(366,483)	(620,228)	(879,255)	(816,424)	(730,708)
142			Total G&I ADIT - Other	-	(10,458)	(21,179)	(28,751)	(33,802)	(36,841)
143			Total General & Intangible ADIT	(6,708)	(376,940)	(641,407)	(908,005)	(850,227)	(767,549)
144									
145			Total ADIT	(6,708)	(376,940)	(641,407)	(908,005)	(850,227)	(767,549)
146									
147	Total Rate Base			\$ 72,602	\$ 4,235,938	\$ 3,734,188	\$ 3,209,809	\$ 2,992,342	\$ 2,565,777
148									
149	Weighted Average Cost of Capital			6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
150									
151	Return on Rate Base			417	28,488	257,620	221,448	206,441	177,012
152									
153	O&M								
154			Production O&M	-	-	-	-	-	-
155									
156			Distribution O&M						
157			Meters	-	-	-	-	-	-
158			Other	-	-	-	-	-	-
159			Total Distribution O&M	-	-	-	-	-	-
160									
161			Transmission O&M	-	-	-	-	-	-
162									
163			General & Intangible O&M						
164			Software	-	217,350	228,218	239,628	251,610	264,190
165			Other	-	-	-	-	-	-
166			Total General & Intangible O&M	-	217,350	228,218	239,628	251,610	264,190
167									
168			A&G	-	-	-	-	-	-
169									
170			Total O&M	-	217,350	228,218	239,628	251,610	264,190
171									

	A	B	C	D	R	AE	AF	AG	AH	AI	
1	PNM Exhibit TSB-4										
2	WP Cybersecurity - Estimated Revenue Requirement Cybersecurity Project										
3											
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
5					2025	2026	2027	2028	2029	2030	
172				Depreciation Expense							
176				Production Depreciation Expense	-	-	-	-	-	-	
177											
178				Distribution Depreciation Expense							
182				Distribution Depreciation Expense - Meters	-	-	-	-	-	-	
187				Distribution Depreciation Expense - Other	-	-	-	-	-	-	
188				Distribution Depreciation Expense Total	-	-	-	-	-	-	
189											
193				Total Transmission Depreciation Expense	-	-	-	-	-	-	
194											
195				General & Intangible Depreciation Expense							
199				G&I Depreciation Expense - Software	-	7,931	425,582	446,469	467,396	488,668	
204				G&I Depreciation Expense - Other	-	-	20,574	20,574	20,574	20,574	
205				Total General & Intangible Depreciation Expense	-	7,931	446,156	467,044	487,970	509,242	
206											
207				Total Depreciation Expense	-	7,931	446,156	467,044	487,970	509,242	
208											
209				Property Tax							
210				Production Property Tax	-	-	-	-	-	-	
211											
212				Distribution Property Tax							
213				Meters	-	-	-	-	-	-	
214				Other	-	-	-	-	-	-	
215				Total Distribution Property Tax	-	-	-	-	-	-	
216											
217				Transmission Property Tax	-	-	-	-	-	-	
218											
219				General & Intangible Property Tax							
220				Software	-	782	41,899	39,761	37,422	34,910	
221				Other	-	-	3,600	3,397	3,194	2,991	
222				Total General & Intangible Property Tax	-	782	45,499	43,158	40,616	37,901	
223											
224				Total Property Taxes	-	782	45,499	43,158	40,616	37,901	
225											
226				Federal Income Tax							
227				Return Adjustments							
228				Interest	(125)	(8,537)	(77,206)	(66,364)	(61,868)	(53,049)	
229											
230				Tax/Book Adjustments							
231				AFUDC Equity Flow Through	-	299	16,832	17,621	18,410	19,213	
232				R&D Credit Flow Through	-	-	-	-	-	-	
233				ITC Flow Through	-	-	-	-	-	-	
234				Total Permanent Differences	-	299	16,832	17,621	18,410	19,213	
235				Depreciation and AFUDC Debt	(26,411)	(1,457,607)	(1,041,208)	(1,049,599)	227,476	325,502	
236				Deferred State Income Tax	1,471	81,208	58,009	58,476	(12,673)	(18,135)	
237				Total Temporary Differences	(24,939)	(1,376,399)	(983,199)	(991,123)	214,803	307,367	
238				Amortization of EDFIT	-	-	-	-	-	-	
239				Deferred Federal Income Taxes	(5,237)	289,044	206,472	208,136	(45,109)	(64,547)	
240											
241				Net Taxable Equity Return	(29,884)	(1,067,106)	(579,481)	(610,288)	332,677	385,996	
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	
243				Total Current Federal Income Tax	(7,944)	(283,661)	(154,039)	(162,228)	88,433	102,607	
244				Amortization of EDFIT	-	-	-	-	-	-	
245				Total Provision for Federal Income Tax	(5,237)	289,044	206,472	208,136	(45,109)	(64,547)	
246				Investment Tax Credits							
247				Investment Tax Credits	-	-	-	-	-	-	
248				R&D Credits	-	-	-	-	-	-	
249				Total Federal Income Tax	(13,181)	5,383	52,433	45,907	43,325	38,060	
250											
251				State Income Tax							
252				Net Current Taxable Equity Return	(37,828)	(1,350,767)	(733,520)	(772,516)	421,110	488,603	
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	
254				Total Current State Income Tax	(1,450)	(79,695)	(43,278)	(45,578)	24,845	28,828	
255				Amortization of EDSIT	-	-	-	-	-	-	
256				Total Deferred State Income Tax	1,471	81,208	58,009	58,476	(12,673)	(18,135)	
257				Total State Income Tax	22	1,512	14,731	12,898	12,172	10,693	
258											
259				Revenue Credits							
260				Opt-out Fee Revenue	-	-	-	-	-	-	
261				Total Revenue Credits	-	-	-	-	-	-	
262											
263				Total Revenue Requirement Before Revenue Tax	517	261,446	1,044,657	1,030,079	1,042,133	1,037,098	
264				Revenue Tax Factor	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	
265				Revenue Tax	3	1,330	5,313	5,239	5,300	5,274	
266											
267				Total Revenue Requirement	\$ 520	\$ 262,775	\$ 1,049,969	\$ 1,035,318	\$ 1,047,433	\$ 1,042,372	
268											
269				Revenue Requirement Summary							
270				Return on Rate Base	417	28,488	257,620	221,444	206,441	177,012	
271				O&M	-	217,350	228,218	239,628	251,610	264,190	
272				Depreciation Expense	-	7,931	446,156	467,044	487,970	509,242	
273				Taxes Other Than Income	3	2,112	50,812	48,397	45,916	43,175	
274				Net Allowable Federal Income Tax	78	5,383	52,433	45,907	43,325	38,060	
275				Net Allowable State Income Tax	22	1,512	14,731	12,898	12,172	10,693	
276				Revenue Credits	-	-	-	-	-	-	
277				Total Revenue Requirement	\$ 520	\$ 262,775	\$ 1,049,969	\$ 1,035,318	\$ 1,047,433	\$ 1,042,372	
278											
279				*Note: Year 1 and 2 Revenue Requirements reflect the sum of monthly totals. The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the monthly columns for print formatting purposes. For year 1 and 2 monthly activity, please refer to PNM Exhibits TSB-2 and TSB-3.							

	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	WP Data Management & Architecture - Estimated Revenue Requirement Data Management & Architecture Project									
3										
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5					2025	2026	2027	2028	2029	2030
6	Gross Plant									
10				Production Plant	-	-	-	-	-	-
11										
12				Distribution Plant						
16				Distribution Plant - Meters	-	-	-	-	-	-
21				Distribution Plant - Other	-	-	-	-	-	-
22				Total Distribution Plant	-	-	-	-	-	-
23										
27				Transmission Plant	-	-	-	-	-	-
28										
29				General & Intangible Plant						
33				G&I - Software	4,984,913	6,796,702	8,010,467	9,111,360	11,312,346	11,312,346
38				G&I Plant - Other	325,894	483,607	483,607	483,607	483,607	483,607
39				Total General & Intangible Plant	5,310,807	7,280,309	8,494,075	9,594,967	11,795,953	11,795,953
40										
41				Total Gross Plant	5,310,807	7,280,309	8,494,075	9,594,967	11,795,953	11,795,953
42										
43	Accumulated Depreciation									
47				Production Plant	-	-	-	-	-	-
48										
49				Distribution Plant						
53				Distribution Plant - Meters	-	-	-	-	-	-
58				Distribution Plant - Other	-	-	-	-	-	-
59				Total Distribution Plant	-	-	-	-	-	-
60										
64				Transmission Plant	-	-	-	-	-	-
65										
66				General & Intangible Plant						
70				G&I - Software	(322,380)	(820,871)	(1,500,541)	(2,301,588)	(3,212,724)	(4,343,958)
75				G&I Plant - Other	-	(18,370)	(45,631)	(72,892)	(100,152)	(127,413)
76				Total General & Intangible Plant	(322,380)	(839,241)	(1,546,172)	(2,374,480)	(3,312,876)	(4,471,372)
77										
78				Total Accumulated Depreciation	(322,380)	(839,241)	(1,546,172)	(2,374,480)	(3,312,876)	(4,471,372)
79										
80	ADIT									
89				Total Production ADIT	-	-	-	-	-	-
90										
91				Distribution ADIT						
100				Total Distribution ADIT - Meters	-	-	-	-	-	-
110				Total Distribution ADIT - Other	-	-	-	-	-	-
111				Total Distribution ADIT	-	-	-	-	-	-
112										
121				Total Transmission ADIT	-	-	-	-	-	-
122										
123				General & Intangible ADIT						
132				Total G&I ADIT - Software	(623,859)	(1,561,251)	(2,040,947)	(2,180,064)	(2,328,522)	(2,315,892)
142				Total G&I ADIT - Other	(9,337)	(23,429)	(34,823)	(42,605)	(47,501)	(50,083)
143				Total General & Intangible ADIT	(633,197)	(1,584,680)	(2,075,770)	(2,222,670)	(2,376,024)	(2,365,975)
144										
145				Total ADIT	(633,197)	(1,584,680)	(2,075,770)	(2,222,670)	(2,376,024)	(2,365,975)
146										
147	Total Rate Base				\$ 4,355,231	\$ 4,856,387	\$ 4,872,133	\$ 4,997,818	\$ 6,107,053	\$ 4,958,606
148										
149	Weighted Average Cost of Capital				6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
150										
151	Return on Rate Base				225,673	261,906	336,127	344,798	421,324	342,093
152										
153	O&M									
154				Production O&M	-	-	-	-	-	-
155										
156				Distribution O&M						
157				Meters	-	-	-	-	-	-
158				Other	-	-	-	-	-	-
159				Total Distribution O&M	-	-	-	-	-	-
160										
161				Transmission O&M	-	-	-	-	-	-
162										
163				General & Intangible O&M						
164				Software	-	698,330	1,545,614	1,604,474	1,665,688	1,729,354
165				Other	1,105,229	1,154,233	442,092	461,693	482,177	503,582
166				Total General & Intangible O&M	1,105,229	1,852,563	1,987,705	2,066,167	2,147,865	2,232,936
167										
168				A&G	-	-	-	-	-	-
169										
170				Total O&M	1,105,229	1,852,563	1,987,705	2,066,167	2,147,865	2,232,936
171										

A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4								
2	WP Data Management & Architecture - Estimated Revenue Requirement Data Management & Architecture Project								
3									
4									
5				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
				2025	2026	2027	2028	2029	2030
172	Depreciation Expense								
176			Production Depreciation Expense	-	-	-	-	-	-
177									
178			Distribution Depreciation Expense						
182			Distribution Depreciation Expense - Meters	-	-	-	-	-	-
187			Distribution Depreciation Expense - Other	-	-	-	-	-	-
188			Distribution Depreciation Expense Total	-	-	-	-	-	-
189									
193			Total Transmission Depreciation Expense	-	-	-	-	-	-
194									
195			General & Intangible Depreciation Expense						
199			G&I Depreciation Expense - Software	322,380	498,491	679,670	801,047	911,136	1,131,235
204			G&I Depreciation Expense - Other	-	18,370	27,261	27,261	27,261	27,261
205			Total General & Intangible Depreciation Expense	322,380	516,862	706,931	828,307	938,397	1,158,495
206									
207			Total Depreciation Expense	322,380	516,862	706,931	828,307	938,397	1,158,495
208									
209	Property Tax								
210			Production Property Tax	-	-	-	-	-	-
211									
212			Distribution Property Tax						
213			Meters	-	-	-	-	-	-
214			Other	-	-	-	-	-	-
215			Total Distribution Property Tax	-	-	-	-	-	-
216									
217			Transmission Property Tax	-	-	-	-	-	-
218									
219			General & Intangible Property Tax						
220			Software	-	45,989	58,942	64,210	67,168	79,890
221			Other	-	3,214	4,589	4,320	4,051	3,782
222			Total General & Intangible Property Tax	-	49,203	63,531	68,530	71,219	83,672
223									
224			Total Property Taxes	-	49,203	63,531	68,530	71,219	83,672
225									
226	Federal Income Tax								
227	Return Adjustments								
228			Interest	(67,632)	(78,491)	(100,734)	(103,332)	(126,266)	(102,522)
229									
230	Tax/Book Adjustments								
231			AFUDC Equity Flow Through	12,163	19,500	26,671	31,250	35,404	43,707
232			R&D Credit Flow Through	-	-	-	-	-	-
233			ITC Flow Through	-	-	-	-	-	-
234			Total Permanent Differences	12,163	19,500	26,671	31,250	35,404	43,707
235			Depreciation and AFUDC Debt	(2,492,900)	(3,745,999)	(1,933,424)	(578,345)	(603,756)	39,561
236			Deferred State Income Tax	138,887	208,701	107,717	32,221	33,637	(2,204)
237			Total Temporary Differences	(2,354,013)	(3,537,298)	(1,825,707)	(546,124)	(570,119)	37,357
238			Amortization of EDFIT	-	-	-	-	-	-
239			Deferred Federal Income Taxes	(494,343)	742,833	383,398	114,686	119,725	(7,845)
240									
241			Net Taxable Equity Return	(2,678,153)	(2,591,550)	(1,180,245)	(158,722)	(119,933)	312,790
242			Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243			Total Current Federal Income Tax	(711,915)	(688,894)	(313,736)	(42,192)	(31,881)	83,147
244			Amortization of EDFIT	-	-	-	-	-	-
245			Total Provision for Federal Income Tax	(494,343)	742,833	383,398	114,686	119,725	(7,84

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	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	WP Distribution Planning & Engineering - Estimated Revenue Requirement Distribution Planning & Engineering Project									
3										
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5					2025	2026	2027	2028	2029	2030
172				Depreciation Expense						
176				Production Depreciation Expense	-	-	-	-	-	-
177										
178				Distribution Depreciation Expense						
182				Distribution Depreciation Expense - Meters	-	-	-	-	-	-
187				Distribution Depreciation Expense - Other	-	-	-	-	-	-
188				Distribution Depreciation Expense Total	-	-	-	-	-	-
189										
193				Total Transmission Depreciation Expense	-	-	-	-	-	-
194										
195				General & Intangible Depreciation Expense						
199				G&I Depreciation Expense - Software	-	-	-	139,123	885,526	885,526
204				G&I Depreciation Expense - Other	-	-	-	-	-	-
205				Total General & Intangible Depreciation Expense	-	-	-	139,123	885,526	885,526
206										
207				Total Depreciation Expense	-	-	-	139,123	885,526	885,526
208										
209				Property Tax						
210				Production Property Tax	-	-	-	-	-	-
211										
212				Distribution Property Tax						
213				Meters	-	-	-	-	-	-
214				Other	-	-	-	-	-	-
215				Total Distribution Property Tax	-	-	-	-	-	-
216										
217				Transmission Property Tax	-	-	-	-	-	-
218										
219				General & Intangible Property Tax						
220				Software	-	-	-	13,722	85,971	77,237
221				Other	-	-	-	-	-	-
222				Total General & Intangible Property Tax	-	-	-	13,722	85,971	77,237
223										
224				Total Property Taxes	-	-	-	13,722	85,971	77,237
225										
226				Federal Income Tax						
227				Return Adjustments						
228				Interest	-	-	(26,224)	(162,492)	(133,498)	(106,910)
229										
230				Tax/Book Adjustments						
231				AFUDC Equity Flow Through	-	-	-	5,249	33,409	33,409
232				R&D Credit Flow Through	-	-	-	-	-	-
233				ITC Flow Through	-	-	-	-	-	-
234				Total Permanent Differences	-	-	-	5,249	33,409	33,409
235				Depreciation and AFUDC Debt	-	-	(483,678)	(2,890,292)	(2,034,588)	(1,576,532)
236				Deferred State Income Tax	-	-	26,947	161,027	113,353	87,833
237				Total Temporary Differences	-	-	(456,731)	(2,729,265)	(1,921,235)	(1,488,698)
238				Amortization of EDFIT	-	-	-	-	-	-
239				Deferred Federal Income Taxes	-	-	95,913	573,146	403,459	312,627
240										
241				Net Taxable Equity Return	-	-	(299,537)	(1,771,162)	(1,172,410)	(892,836)
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	-	-	(79,624)	(470,816)	(311,653)	(237,336)
244				Amortization of EDFIT	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	-	-	95,913	573,146	403,459	312,627
246				Investment Tax Credits						
247				Investment Tax Credits	-	-	-	-	-	-
248				R&D Credits	-	-	-	-	-	-
249				Total Federal Income Tax	-	-	16,290	102,330	91,806	75,290
250										
251				State Income Tax						
252				Net Current Taxable Equity Return	-	-	(379,160)	(2,241,978)	(1,484,063)	(1,130,173)
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	-	-	(22,370)	(132,277)	(87,560)	(66,680)
255				Amortization of EDSIT	-	-	-	-	-	-
256				Total Deferred State Income Tax	-	-	26,947	161,027	113,353	87,833
257				Total State Income Tax	-	-	4,577	28,750	25,793	21,153
258										
259				Revenue Credits						
260				Opt-out Fee Revenue	-	-	-	-	-	-
261				Total Revenue Credits	-	-	-	-	-	-
262										
263				Total Revenue Requirement Before Revenue Tax	382,007	620,905	753,594	1,496,661	2,231,436	2,140,256
264				Revenue Tax Factor	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax	1,943	3,158	3,833	7,612	11,348	10,885
266										
267				Total Revenue Requirement	\$ 383,950	\$ 624,063	\$ 757,427	\$ 1,504,273	\$ 2,242,784	\$ 2,151,141
268										
269				Revenue Requirement Summary						
270				Return on Rate Base	-	-	87,505	542,200	445,455	356,737
271				O&M	382,007	620,905	645,223	670,536	696,885	724,313
272				Depreciation Expense	-	-	-	139,123	885,526	885,526
273				Taxes Other Than Income	1,943	3,158	3,833	21,334	97,319	88,121
274				Net Allowable Federal Income Tax	-	-	16,290	102,330	91,806	75,290
275				Net Allowable State Income Tax	-	-	4,577	28,750	25,793	21,153
276				Revenue Credits	-	-	-	-	-	-
277				Total Revenue Requirement	\$ 383,950	\$ 624,063	\$ 757,427	\$ 1,504,273	\$ 2,242,784	\$ 2,151,141
278										
279				*Note: Year 1 and 2 Revenue Requirements reflect the sum of monthly totals. The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the monthly columns for print formatting purposes. For year 1 and 2 monthly activity, please refer to PNM Exhibits TSB-2 and TSB-3.						

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	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	WP Distribution Automation - Estimated Revenue Requirement Distribution Automation Project									
3										
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5					2025	2026	2027	2028	2029	2030
172	Depreciation Expense									
176				Production Depreciation Expense	-	-	-	-	-	-
177										
178				Distribution Depreciation Expense						
182				Distribution Depreciation Expense - Meters	-	-	-	-	-	-
187				Distribution Depreciation Expense - Other	-	176,870	385,898	859,177	1,347,566	1,858,923
188				Distribution Depreciation Expense Total	-	176,870	385,898	859,177	1,347,566	1,858,923
189										
193				Total Transmission Depreciation Expense	-	-	-	-	-	-
194										
195				General & Intangible Depreciation Expense						
199				G&I Depreciation Expense - Software	-	-	-	-	-	-
204				G&I Depreciation Expense - Other	-	239,534	522,619	522,619	522,619	522,619
205				Total General & Intangible Depreciation Expense	-	239,534	522,619	522,619	522,619	522,619
206										
207				Total Depreciation Expense	-	416,404	908,517	1,381,796	1,870,185	2,381,542
208										
209	Property Tax									
210				Production Property Tax	-	-	-	-	-	-
211										
212				Distribution Property Tax						
213				Meters	-	-	-	-	-	-
214				Other	-	-	128,037	283,398	439,174	597,856
215				Total Distribution Property Tax	-	-	128,037	283,398	439,174	597,856
216										
217				Transmission Property Tax	-	-	-	-	-	-
218										
219				General & Intangible Property Tax						
220				Software	-	-	-	-	-	-
221				Other	-	-	89,084	83,930	78,775	73,620
222				Total General & Intangible Property Tax	-	-	89,084	83,930	78,775	73,620
223										
224				Total Property Taxes	-	-	217,121	367,328	517,948	671,476
225										
226	Federal Income Tax									
227	Return Adjustments									
228				Interest	-	(245,465)	(749,930)	(1,051,189)	(1,356,912)	(1,665,032)
229										
230	Tax/Book Adjustments									
231				AFUDC Equity Flow Through	-	15,710	34,276	52,132	70,558	89,850
232				R&D Credit Flow Through	-	-	-	-	-	-
233				ITC Flow Through	-	-	-	-	-	-
234				Total Permanent Differences	-	15,710	34,276	52,132	70,558	89,850
235				Depreciation and AFUDC Debt	-	(1,353,168)	(2,465,797)	(2,755,297)	(3,065,448)	(3,379,194)
236				Deferred State Income Tax	-	75,389	137,377	153,506	170,785	188,265
237				Total Temporary Differences	-	(1,277,779)	(2,328,420)	(2,601,791)	(2,894,663)	(3,190,929)
238				Amortization of EDFIT	-	-	-	-	-	-
239				Deferred Federal Income Taxes	-	268,334	488,968	546,376	607,879	670,095
240										
241				Net Taxable Equity Return	-	(420,138)	(52,752)	453,115	954,581	1,459,833
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	-	(111,682)	(14,023)	120,448	253,750	388,057
244				Amortization of EDFIT	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	-	268,334	488,968	546,376	607,879	670,095
246	Investment Tax Credits									
247				Investment Tax Credits	-	-	-	-	-	-
248				R&D Credits	-	-	-	-	-	-
249				Total Federal Income Tax	-	156,651	474,946	666,825	861,629	1,058,152
250										
251	State Income Tax									
252				Net Current Taxable Equity Return	-	(531,820)	(66,775)	573,563	1,208,331	1,847,891
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	-	(31,377)	(3,940)	33,840	71,292	109,026
255				Amortization of EDSIT	-	-	-	-	-	-
256				Total Deferred State Income Tax	-	75,389	137,377	153,506	170,785	188,265
257				Total State Income Tax	-	44,012	133,437	187,346	242,077	297,290
258										
259	Revenue Credits									
260				Opt-out Fee Revenue	-	-	-	-	-	-
261				Total Revenue Credits	-	-	-	-	-	-
262										
263				Total Revenue Requirement Before Revenue Tax	9,750	2,054,600	4,977,896	7,004,346	9,102,536	11,288,878
264				Revenue Tax Factor	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax	50	10,449	25,316	35,622	46,293	57,412
266										
267	Total Revenue Requirement				\$ 9,800	\$ 2,065,050	\$ 5,003,212	\$ 7,039,968	\$ 9,148,829	\$ 11,346,290
268										
269	Revenue Requirement Summary									
270				Return on Rate Base	-	819,063	2,502,354	3,507,587	4,527,719	5,555,849
271				O&M	9,750	618,471	741,521	893,465	1,082,979	1,324,568
272				Depreciation Expense	-	416,404	908,517	1,381,796	1,870,185	2,381,542
273				Taxes Other Than Income	50	10,449	242,437	402,950	564,241	728,888
274				Net Allowable Federal Income Tax	-	156,651	474,946	666,825	861,629	1,058,152
275				Net Allowable State Income Tax	-	44,012	133,437	187,346	242,077	297,290
276				Revenue Credits	-	-	-	-	-	-
277				Total Revenue Requirement	\$ 9,800	\$ 2,065,050	\$ 5,003,212	\$ 7,039,968	\$ 9,148,829	\$ 11,346,290
278										
279	*Note: Year 1 and 2 Revenue Requirements reflect the sum of monthly totals. The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the monthly columns for print formatting purposes. For year 1 and 2 monthly activity, please refer to PNM Exhibits TSB-2 and TSB-3.									

	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	WP Telecommunications - Estimated Revenue Requirement Telecommunications Project									
3										
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5					2025	2026	2027	2028	2029	2030
6	Gross Plant									
10				Production Plant	-	-	-	-	-	-
11										
12				Distribution Plant						
16				Distribution Plant - Meters	-	-	-	-	-	-
21				Distribution Plant - Other	-	-	-	-	-	-
22				Total Distribution Plant	-	-	-	-	-	-
23										
27				Transmission Plant	-	-	-	-	-	-
28										
29				General & Intangible Plant						
33				G&I - Software	-	-	-	-	-	-
38				G&I Plant - Other	3,307,052	12,853,004	21,669,381	28,190,312	34,819,048	41,507,328
39				Total General & Intangible Plant	3,307,052	12,853,004	21,669,381	28,190,312	34,819,048	41,507,328
40										
41				Total Gross Plant	3,307,052	12,853,004	21,669,381	28,190,312	34,819,048	41,507,328
42										
43	Accumulated Depreciation									
47				Production Plant	-	-	-	-	-	-
48										
49				Distribution Plant						
53				Distribution Plant - Meters	-	-	-	-	-	-
58				Distribution Plant - Other	-	-	-	-	-	-
59				Total Distribution Plant	-	-	-	-	-	-
60										
64				Transmission Plant	-	-	-	-	-	-
65										
66				General & Intangible Plant						
70				G&I - Software	-	-	-	-	-	-
75				G&I Plant - Other	(165,080)	(531,238)	(1,255,754)	(2,477,244)	(4,066,315)	(6,029,044)
76				Total General & Intangible Plant	(165,080)	(531,238)	(1,255,754)	(2,477,244)	(4,066,315)	(6,029,044)
77										
78				Total Accumulated Depreciation	(165,080)	(531,238)	(1,255,754)	(2,477,244)	(4,066,315)	(6,029,044)
79										
80	ADIT									
89				Total Production ADIT	-	-	-	-	-	-
90										
91				Distribution ADIT						
100				Total Distribution ADIT - Meters	-	-	-	-	-	-
110				Total Distribution ADIT - Other	-	-	-	-	-	-
111				Total Distribution ADIT	-	-	-	-	-	-
112										
121				Total Transmission ADIT	-	-	-	-	-	-
122										
123				General & Intangible ADIT						
132				Total G&I ADIT - Software	-	-	-	-	-	-
142				Total G&I ADIT - Other	(54,105)	(380,827)	(982,453)	(1,672,073)	(2,396,102)	(3,132,103)
143				Total General & Intangible ADIT	(54,105)	(380,827)	(982,453)	(1,672,073)	(2,396,102)	(3,132,103)
144										
145				Total ADIT	(54,105)	(380,827)	(982,453)	(1,672,073)	(2,396,102)	(3,132,103)
146										
147	Total Rate Base				\$ 3,087,866	\$ 11,940,939	\$ 19,431,174	\$ 24,040,995	\$ 28,356,631	\$ 32,346,182
148										
149	Weighted Average Cost of Capital				6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
150										
151	Return on Rate Base				212,884	468,677	1,340,551	1,658,581	1,956,315	2,231,553
152										
153	O&M									
154				Production O&M	-	-	-	-	-	-
155										
156				Distribution O&M						
157				Meters	-	-	-	-	-	-
158				Other	-	-	-	-	-	-
159				Total Distribution O&M	-	-	-	-	-	-
160										
161				Transmission O&M	-	-	-	-	-	-
162										
163				General & Intangible O&M						
164				Software	1,364	1,364	1,364	1,364	1,364	1,364
165				Other	382,007	398,905	764,014	797,810	833,126	870,032
166				Total General & Intangible O&M	383,371	400,269	765,378	799,174	834,490	871,396
167										
168				A&G	-	-	-	-	-	-
169										
170				Total O&M	383,371	400,269	765,378	799,174	834,490	871,396
171										

	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	WP Telecommunications - Estimated Revenue Requirement Telecommunications Project									
3										
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5					2025	2026	2027	2028	2029	2030
172	Depreciation Expense									
176				Production Depreciation Expense	-	-	-	-	-	-
177										
178				Distribution Depreciation Expense						
182				Distribution Depreciation Expense - Meters	-	-	-	-	-	-
187				Distribution Depreciation Expense - Other	-	-	-	-	-	-
188				Distribution Depreciation Expense Total	-	-	-	-	-	-
189										
193				Total Transmission Depreciation Expense	-	-	-	-	-	-
194										
195				General & Intangible Depreciation Expense						
199				G&I Depreciation Expense - Software	-	-	-	-	-	-
204				G&I Depreciation Expense - Other	165,080	366,158	724,516	1,221,490	1,589,071	1,962,729
205				Total General & Intangible Depreciation Expense	165,080	366,158	724,516	1,221,490	1,589,071	1,962,729
206										
207				Total Depreciation Expense	165,080	366,158	724,516	1,221,490	1,589,071	1,962,729
208										
209	Property Tax									
210				Production Property Tax	-	-	-	-	-	-
211										
212				Distribution Property Tax						
213				Meters	-	-	-	-	-	-
214				Other	-	-	-	-	-	-
215				Total Distribution Property Tax	-	-	-	-	-	-
216										
217				Transmission Property Tax	-	-	-	-	-	-
218										
219				General & Intangible Property Tax						
220				Software	-	-	-	-	-	-
221				Other	-	30,991	121,535	201,348	253,619	303,327
222				Total General & Intangible Property Tax	-	30,991	121,535	201,348	253,619	303,327
223										
224				Total Property Taxes	-	30,991	121,535	201,348	253,619	303,327
225										
226	Federal Income Tax									
227	Return Adjustments									
228				Interest	(63,799)	(140,458)	(401,750)	(497,060)	(586,288)	(668,774)
229										
230	Tax/Book Adjustments									
231				AFUDC Equity Flow Through	6,228	13,814	27,334	46,084	59,952	74,049
232				R&D Credit Flow Through	-	-	-	-	-	-
233				ITC Flow Through	-	-	-	-	-	-
234				Total Permanent Differences	6,228	13,814	27,334	46,084	59,952	74,049
235				Depreciation and AFUDC Debt	(213,013)	(1,286,308)	(2,368,603)	(2,715,042)	(2,850,507)	(2,897,641)
236				Deferred State Income Tax	11,868	71,664	131,962	151,263	158,810	161,436
237				Total Temporary Differences	(201,145)	(1,214,644)	(2,236,641)	(2,563,779)	(2,691,697)	(2,736,205)
238				Amortization of EDFIT	-	-	-	-	-	-
239				Deferred Federal Income Taxes	42,241	255,075	469,695	538,394	565,256	574,603
240										
241				Net Taxable Equity Return	(3,592)	(617,535)	(800,811)	(817,780)	(696,461)	(524,773)
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	(955)	(164,155)	(212,874)	(217,385)	(185,135)	(139,497)
244				Amortization of EDFIT	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	42,241	255,075	469,695	538,394	565,256	574,603
246	Investment Tax Credits									
247				Investment Tax Credits	-	-	-	-	-	-
248				R&D Credits	-	-	-	-	-	-
249				Total Federal Income Tax	41,286	90,920	256,821	321,009	380,121	435,106
250										
251	State Income Tax									
252				Net Current Taxable Equity Return	(4,547)	(781,690)	(1,013,685)	(1,035,165)	(881,596)	(664,270)
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	(268)	(46,120)	(59,807)	(61,075)	(52,014)	(39,192)
255				Amortization of EDSIT	-	-	-	-	-	-
256				Total Deferred State Income Tax	11,868	71,664	131,962	151,263	158,810	161,436
257				Total State Income Tax	11,599	25,544	72,154	90,188	106,796	122,244
258										
259	Revenue Credits									
260				Opt-out Fee Revenue	-	-	-	-	-	-
261				Total Revenue Credits	-	-	-	-	-	-
262										
263				Total Revenue Requirement Before Revenue Tax	814,220	1,382,559	3,280,955	4,291,790	5,120,412	5,926,355
264				Revenue Tax Factor	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax	4,141	7,031	16,686	21,827	26,041	30,140
266										
267	Total Revenue Requirement				\$ 818,361	\$ 1,389,590	\$ 3,297,641	\$ 4,313,617	\$ 5,146,453	\$ 5,956,495
268										
269	Revenue Requirement Summary									
270				Return on Rate Base	212,884	468,677	1,340,551	1,658,581	1,956,315	2,231,553
271				O&M	383,371	400,269	765,378	799,174	834,490	871,396
272				Depreciation Expense	165,080	366,158	724,516	1,221,490	1,589,071	1,962,729
273				Taxes Other Than Income	4,141	38,022	138,221	223,175	279,660	333,467
274				Net Allowable Federal Income Tax	41,286	90,920	256,821	321,009	380,121	435,106
275				Net Allowable State Income Tax	11,599	25,544	72,154	90,188	106,796	122,244
276				Revenue Credits	-	-	-	-	-	-
277				Total Revenue Requirement	\$ 818,361	\$ 1,389,590	\$ 3,297,641	\$ 4,313,617	\$ 5,146,453	\$ 5,956,495
278										
279	*Note: Year 1 and 2 Revenue Requirements reflect the sum of monthly totals. The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the monthly columns for print formatting purposes. For year 1 and 2 monthly activity, please refer to PNM Exhibits TSB-2 and TSB-3.									

	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	WP Program Oversight - Estimated Revenue Requirement Program Oversight Project									
3										
4										
5					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
6					2025	2026	2027	2028	2029	2030
6	Gross Plant									
10				Production Plant	-	-	-	-	-	-
11										
12				Distribution Plant						
16				Distribution Plant - Meters	-	-	-	-	-	-
21				Distribution Plant - Other	-	-	-	-	-	-
22				Total Distribution Plant	-	-	-	-	-	-
23										
27				Transmission Plant	-	-	-	-	-	-
28										
29				General & Intangible Plant						
33				G&I - Software	-	-	-	-	-	-
38				G&I Plant - Other	-	-	-	-	-	-
39				Total General & Intangible Plant	-	-	-	-	-	-
40										
41				Total Gross Plant	-	-	-	-	-	-
42										
43	Accumulated Depreciation									
47				Production Plant	-	-	-	-	-	-
48										
49				Distribution Plant						
53				Distribution Plant - Meters	-	-	-	-	-	-
58				Distribution Plant - Other	-	-	-	-	-	-
59				Total Distribution Plant	-	-	-	-	-	-
60										
64				Transmission Plant	-	-	-	-	-	-
65										
66				General & Intangible Plant						
70				G&I - Software	-	-	-	-	-	-
75				G&I Plant - Other	-	-	-	-	-	-
76				Total General & Intangible Plant	-	-	-	-	-	-
77										
78				Total Accumulated Depreciation	-	-	-	-	-	-
79										
80	ADIT									
89				Total Production ADIT	-	-	-	-	-	-
90										
91				Distribution ADIT						
100				Total Distribution ADIT - Meters	-	-	-	-	-	-
110				Total Distribution ADIT - Other	-	-	-	-	-	-
111				Total Distribution ADIT	-	-	-	-	-	-
112										
121				Total Transmission ADIT	-	-	-	-	-	-
122										
123				General & Intangible ADIT						
132				Total G&I ADIT - Software	-	-	-	-	-	-
142				Total G&I ADIT - Other	-	-	-	-	-	-
143				Total General & Intangible ADIT	-	-	-	-	-	-
144										
145				Total ADIT	-	-	-	-	-	-
146										
147	Total Rate Base				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
148										
149	Weighted Average Cost of Capital				6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
150										
151	Return on Rate Base				-	-	-	-	-	-
152										
153	O&M									
154				Production O&M	-	-	-	-	-	-
155										
156				Distribution O&M						
157				Meters	-	-	-	-	-	-
158				Other	862,619	913,939	-	-	-	-
159				Total Distribution O&M	862,619	913,939	-	-	-	-
160										
161				Transmission O&M	-	-	-	-	-	-
162										
163				General & Intangible O&M						
164				Software	-	-	-	-	-	-
165				Other	-	-	-	-	-	-
166				Total General & Intangible O&M	-	-	-	-	-	-
167										
168				A&G	1,182,863	1,235,148	1,289,787	1,346,884	1,406,550	1,468,902
169										
170				Total O&M	2,045,482	2,149,087	1,289,787	1,346,884	1,406,550	1,468,902
171										

	A	B	C	D	R	AE	AF	AG	AH	AI
1	PNM Exhibit TSB-4									
2	WP Program Oversight - Estimated Revenue Requirement Program Oversight Project									
3										
4					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
5					2025	2026	2027	2028	2029	2030
172				Depreciation Expense						
176				Production Depreciation Expense	-	-	-	-	-	-
177										
178				Distribution Depreciation Expense						
182				Distribution Depreciation Expense - Meters	-	-	-	-	-	-
187				Distribution Depreciation Expense - Other	-	-	-	-	-	-
188				Distribution Depreciation Expense Total	-	-	-	-	-	-
189										
193				Total Transmission Depreciation Expense	-	-	-	-	-	-
194										
195				General & Intangible Depreciation Expense						
199				G&I Depreciation Expense - Software	-	-	-	-	-	-
204				G&I Depreciation Expense - Other	-	-	-	-	-	-
205				Total General & Intangible Depreciation Expense	-	-	-	-	-	-
206										
207				Total Depreciation Expense	-	-	-	-	-	-
208										
209				Property Tax						
210				Production Property Tax	-	-	-	-	-	-
211										
212				Distribution Property Tax						
213				Meters	-	-	-	-	-	-
214				Other	-	-	-	-	-	-
215				Total Distribution Property Tax	-	-	-	-	-	-
216										
217				Transmission Property Tax	-	-	-	-	-	-
218										
219				General & Intangible Property Tax						
220				Software	-	-	-	-	-	-
221				Other	-	-	-	-	-	-
222				Total General & Intangible Property Tax	-	-	-	-	-	-
223										
224				Total Property Taxes	-	-	-	-	-	-
225										
226				Federal Income Tax						
227				Return Adjustments						
228				Interest	-	-	-	-	-	-
229										
230				Tax/Book Adjustments						
231				AFUDC Equity Flow Through	-	-	-	-	-	-
232				R&D Credit Flow Through	-	-				
233				ITC Flow Through	-	-	-	-	-	-
234				Total Permanent Differences	-	-	-	-	-	-
235				Depreciation and AFUDC Debt	-	-	-	-	-	-
236				Deferred State Income Tax	-	-	-	-	-	-
237				Total Temporary Differences	-	-	-	-	-	-
238				Amortization of EDFIT	-	-				
239				Deferred Federal Income Taxes	-	-	-	-	-	-
240										
241				Net Taxable Equity Return	-	-	-	-	-	-
242				Federal Tax Rate	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%
243				Total Current Federal Income Tax	-	-	-	-	-	-
244				Amortization of EDFIT	-	-	-	-	-	-
245				Total Provision for Federal Income Tax	-	-	-	-	-	-
246				Investment Tax Credits						
247				Investment Tax Credits	-	-				
248				R&D Credits	-	-				
249				Total Federal Income Tax	-	-	-	-	-	-
250										
251				State Income Tax						
252				Net Current Taxable Equity Return	-	-	-	-	-	-
253				State Tax Rate	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
254				Total Current State Income Tax	-	-	-	-	-	-
255				Amortization of EDSIT	-	-				
256				Total Deferred State Income Tax	-	-	-	-	-	-
257				Total State Income Tax	-	-	-	-	-	-
258										
259				Revenue Credits						
260				Opt-out Fee Revenue	-	-				
261				Total Revenue Credits	-	-	-	-	-	-
262										
263				Total Revenue Requirement Before Revenue Tax	2,045,482	2,149,087	1,289,787	1,346,884	1,406,550	1,468,902
264				Revenue Tax Factor	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%	0.508573%
265				Revenue Tax	10,403	10,930	6,560	6,850	7,153	7,470
266										
267				Total Revenue Requirement	\$ 2,055,884	\$ 2,160,017	\$ 1,296,346	\$ 1,353,734	\$ 1,413,704	\$ 1,476,372
268										
269				Revenue Requirement Summary						
270				Return on Rate Base	-	-	-	-	-	-
271				O&M	2,045,482	2,149,087	1,289,787	1,346,884	1,406,550	1,468,902
272				Depreciation Expense	-	-	-	-	-	-
273				Taxes Other Than Income	10,403	10,930	6,560	6,850	7,153	7,470
274				Net Allowable Federal Income Tax	-	-	-	-	-	-
275				Net Allowable State Income Tax	-	-	-	-	-	-
276				Revenue Credits	-	-	-	-	-	-
277				Total Revenue Requirement	\$ 2,055,884	\$ 2,160,017	\$ 1,296,346	\$ 1,353,734	\$ 1,413,704	\$ 1,476,372
278										
279	*Note: Year 1 and 2 Revenue Requirements reflect the sum of monthly totals. The electronic version of this worksheet uses the Microsoft Excel outline function. This function groups the monthly columns for print formatting purposes. For year 1 and 2 monthly activity, please refer to PNM Exhibits TSB-2 and TSB-3.									

[illegible]

PNM Exhibit TSB-4			
WP Assumption - Rate Assumptions			
	Yearly Rate	Monthly Rate	
Property Tax Rate	2.96%	0.25%	
Advanced Metering (years)	20		
Composite Production Depr. Rate	2.00%	0.17%	
Composite Transmission Depr. Rate	2.65%	0.22%	
Composite Distribution Depr. Rate	2.93%	0.24%	
Software	10.00%	0.83%	
Composite General Plant Depr. Rate	5.64%	0.47%	
Meters Depreciation Rate	5.00%	0.42%	
AFUDC Equity Rate	3.997%		
AFUDC Debt Rate	1.951%		
	51.82%	Retail Share of Transmission	

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF PUBLIC SERVICE COMPANY OF	)	
NEW MEXICO’S FIRST ANNUAL GRID	)	
MODERNIZATION REVIEW FILING PURSUANT	)	
TO THE COMMISSION’S FINAL ORDER	)	Case No. 25-0004-UT
	)	
PUBLIC SERVICE COMPANY OF NEW MEXICO,	)	
	)	
Applicant.	)	

AFFIDAVIT

STATE OF NEW MEXICO	)	
	)	ss
COUNTY OF BERNALILLO	)	

THOMAS BAKER, Senior Manager, Cost of Service, for PNMR Services Company,
upon being duly sworn according to law, under oath, deposes, and states: I have read the foregoing
Direct Testimony of Thomas Baker, and it is true and accurate based on my own personal
knowledge and belief.

Dated this 19th day of June, 2025.

Thomas S. Baker	 Digitally signed by Thomas S. Baker Date: 2025.06.19 15:01:31 -06'00'
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