

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF PUBLIC SERVICE)
COMPANY OF NEW MEXICO'S)
RENEWABLE ENERVHY ACT PLAN)
FOR 2027 AND PROPOSED 2027 RIDER)
NO. 36 RATE,)
)
PUBLIC SERVICE COMPANY OF NEW)
MEXICO,)
)
Applicant)
_____)**

Docket No. 26-0000XXX

**DIRECT TESTIMONY
OF
RANDALL HACKBARTH**

May 28, 2026

NMPRC DOCKET NO. 26-0000XXX
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WITNESS FOR
PUBLIC SERVICE COMPANY OF NEW MEXICO

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1

I. INTRODUCTION AND PURPOSE

2 **Q. Please state your name, position, and business address.**

3 **A.** My name is Randall Hackbarth. I serve as Project Manager, Cost of Service, for PNMR
4 Services Company and its affiliates, including Public Service Company of New Mexico
5 (“PNM” or the “Company”). My business address is Public Service Company of New
6 Mexico, 414 Silver SW, Mail Stop 0915, Albuquerque, NM 87102.

7

8 **Q. Please describe your educational background and professional experience.**

9 **A.** My educational background and professional experience are summarized in PNM
10 Exhibit RVH-1.

11

12 **Q. Have you prepared additional exhibits?**

13 **A.** Yes, they are as follows:

- 14 • PNM Exhibit RVH-2: Summary 2027 Renewable Rider Revenue Requirement –
15 Projected;
- 16 • PNM Exhibit RVH-3: 2027 Estimated Annual Revenue Requirement for the PNM-
17 Owned 2011 Facilities;
- 18 • PNM Exhibit RVH-4: 2027 Estimated Annual Revenue Requirement for the PNM-
19 Owned 2013 Facilities;
- 20 • PNM Exhibit RVH-5: 2027 Estimated Annual Revenue Requirement for the PNM-
21 Owned 2014 Facilities;

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- 1 • PNM Exhibit RVH-6: 2027 Estimated Annual Revenue Requirement for the PNM-
2 Owned 2019 Facilities;
- 3 • PNM Exhibit RVH-7: 2027 Estimated Annual Revenue Requirement for Purchased
4 Power Agreements and Renewable Energy Certificate (“REC”) Purchases;
- 5 • PNM Exhibit RVH-8: December 31, 2025 Year End Weighted Average Cost of
6 Capital (“WACC”);
- 7 • PNM Exhibit RVH-9: Estimated Annual Revenue Requirement for the Sky Blue
8 Regulatory Asset; and
- 9 • PNM Exhibit RVH-10: Estimated Balance of the Sky Blue Regulatory Asset
10 Related to the Unused 2023 Vintage Sky Blue RECs.

11
12 **Q. What is the purpose of your direct testimony?**

13 **A.** The purpose of my testimony is to provide the revenue requirement components of
14 PNM’s Renewable Energy Rider No. 36 (“Rider 36” or “Rider”) rate to be effective
15 January 1, 2027 (“2027 Rider Rate”). I also discuss the annual earnings test and the
16 Rider 36 true-up procedures.

17
18 **II. REVENUE REQUIREMENT COMPONENTS OF THE 2027 RIDER**

19 **Q.** **Please identify the revenue requirement components of the proposed 2027 Rider**
20 **Rate.**

21 **A.** PNM Exhibit RVH-2 summarizes the annual revenue requirement used in the
22 derivation of the 2027 Rider Rate. The total estimated annual revenue requirement to

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1 be collected under the 2027 Rider Rate is \$52,976,102 and is comprised of the
2 following:

3

4 1. \$4,261,092 for PNM-Owned 2011 Solar Facilities;

5 2. \$3,345,234 for PNM-Owned 2013 Solar Facilities;

6 3. \$3,787,510 for PNM-Owned 2014 Solar Facilities;

7 4. \$6,866,525 for PNM-Owned 2019 Solar Facilities;

8 5. \$804 for PNM-Owned 2015 Facilities Western Renewable Energy Generation
9 Information System (“WREGIS”) REC fees;

10 6. \$0 for the WREGIS REC fees associated with the output from the solar
11 resources at the Tierra Que Can Microgrid Project¹;

12 7. \$7,280,509 for the purchases under the Lightning Dock purchased power
13 agreement (“PPA”), based on the projected purchase of 65,500 MWh;

14 8. \$5,322,621 for the purchases under the Red Mesa Wind PPA, based on the
15 projected purchase of 150,300 MWh;

16 9. \$13,122,001 for the purchases under the New Mexico Wind Energy Center
17 (“NMWEC”) PPA, based on the projected purchase of 481,400 MWh;

18 10. \$6,783,792 for the purchases under the La Joya II PPA, based on the projected
19 purchase of 388,000 MWh;

20 11. \$2,093 for the WREGIS REC fees associated with the output from Community
21 Solar facilities located in PNM’s service area;

¹ Formerly Mesa del Sol.

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- 1 12. \$756 for WREGIS REC fees associated with the purchases under the Jicarilla
2 Solar I PPA, based on the projected purchase of 94,460 MWh;
- 3 13. \$5,469 for WREGIS REC fees associated with the purchases under the Arroyo
4 Solar PPA, based on the projected purchase of 683,596 MWh;
- 5 14. \$4,500 for WREGIS REC fees associated with the purchases under the San
6 Juan 1 Solar PPA, based on the projected purchase of 562,562 MWh;
- 7 15. \$7,068 for WREGIS REC fees associated with the purchases under the Atrisco
8 Solar PPA, based on the projected purchase of 883,472 MWh;
- 9 16. \$2,196 for WREGIS REC fees associated with the purchases under the Quail
10 Ranch purchased power agreement, based on the projected purchase of
11 274,547 MWh;
- 12 17. \$2,136,429 for the REC purchases under PNM’s Distributed Generation
13 (“DG”) REC Purchase Programs as described in the direct testimony of PNM
14 witness Shane Gutierrez;
- 15 18. \$0 for the revenue requirement associated with the 2023 vintage RECs
16 associated with the 1.5 MW solar facility that sources the Sky Blue voluntary
17 renewable energy program;
- 18 19. \$2,623 reduction for the estimated WREGIS fees associated with projected
19 banked RECs;
- 20 20. \$50,000 of estimated costs associated with providing public notice of the 2027
21 Renewable Energy Act (“REA”) Plan filing and the proposed revision of Rider
22 36, and for other direct costs of this filing; and
- 23 21. PNM’s annual WREGIS fee of \$125.

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1

2 **Q. Please compare the revenue requirement from the 2026 REA Plan to the proposed**
3 **2027 Plan.**

4 **A.** PNM Table RVH-1 below identifies the differences between the revenue requirements
5 between the 2026 Plan, updated as of February 28, 2026, for PNM’s annual Rider true-
6 up filing, and the 2027 Plan.

PNM Table RVH-1				
	Description	2026 Revenue Requirement	2027 Revenue Requirement	Change
PNM-Owned Facilities				
	PNM-Owned 2011 Facilities Revenue Requirement - 22.5 MW	\$ 4,266,251	\$ 4,261,092	\$ (5,159)
	PNM-Owned 2013 Facilities Revenue Requirement - 20 MW	\$ 3,412,503	3,345,234	(67,269)
	PNM-Owned 2014 Facilities Revenue Requirement - 23 MW	\$ 3,860,612	3,787,510	(73,101)
	PNM-Owned 2019 Facilities Revenue Requirement - 50 MW	\$ 7,076,544	6,866,525	(210,019)
	Total REC Fees for PNM-Owned 2015 Facilities - 40MW	\$ 822	804	(18)
	Tierra Que Can Microgrid	\$ -	-	-
	Total PNM Owned Facilities Revenue Requirement	18,616,732	18,261,166	(355,566)
Purchased Power Agreements				
	Lightning Dock PPA	3,663,773	7,280,509	3,616,735
	Red Mesa PPA	6,492,455	5,322,621	(1,169,834)
	New Mexico Wind Energy Center (NMWEC)	15,058,520	13,122,001	(1,936,519)
	La Joya II	7,872,474	6,783,792	(1,088,682)
	REC Fees for Community Solar I	2,292	2,093	(199)
	Jicarilla Solar I PPA	1,066	756	(310)
	Arroyo Solar PPA	5,444	5,469	25
	San Juan Solar PPA	4,521	4,500	(20)
	Atrisco Solar PPA	6,958	7,068	109
	Quail Ranch PPA	1,481	2,196	716
	Total PPA Revenue Requirement	33,108,985	32,531,005	(577,980)
Renewable Energy Certificates				
	DG Programs REC Purchases	2,562,633	2,136,429	(426,204)
	Compliance REC Purchases	-	-	-
	Total REC Revenue Requirements	2,562,633	2,136,429	(426,204)
	Sky Blue RECs Revenue Requirement	-	-	-
	WREGIS Fee Adjustment (Estimated Banked RECs)	(4,070)	(2,623)	1,447
	Renewable Filing and Reproduction Costs	50,000	50,000	-
	WREGIS Annual Registration Fee	83	125	42
	(Over) /Under Collection from 2025	(1,147,390)	-	1,147,390
	Carrying Charges	(21,035)	-	21,035
	Total 2025 (Over) /Under Collection	(1,168,425)	-	1,168,425
	Total Revenue Requirement	\$ 53,165,938	\$ 52,976,102	\$ (189,836)

7

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1 **Q. Please explain the change in the revenue requirement for the PNM-owned solar**
2 **facilities in 2027 compared to 2026.**

3 **A.** In general, the estimated annual revenue requirements for PNM-Owned Solar Facilities
4 is expected to decrease between 2026 and 2027. These decreases are primarily due to
5 lower weighted average cost of capital (“WACC”) and declining rate base caused by
6 normal, ongoing depreciation, offset by expected higher operating and maintenance
7 costs. PNM Exhibit RVH-3, PNM Exhibit RVH-4, PNM Exhibit RVH-5, and PNM
8 Exhibit RVH-6 present the calculation of the 2027 annual revenue requirement for the
9 PNM-Owned 2011 Solar Facilities, PNM-Owned 2013 Solar Facilities, PNM-Owned
10 2014 Solar Facilities, and PNM-Owned 2019 Solar Facilities, respectively. The costs
11 of registering and retiring RECs in WREGIS are also included in the 2027 revenue
12 requirement for these facilities.

13
14 **Q. Why does PNM only include WREGIS fees in the revenue requirement for the**
15 **PNM-Owned 2015 Solar Facilities and the Arroyo, Jicarilla, San Juan, Atrisco,**
16 **and Quail Ranch solar projects?**

17 **A.** Pursuant to paragraph 2 of the stipulation approved by the Commission in Case No.
18 14-00158-UT, PNM recovers the majority of costs associated with the PNM-Owned
19 2015 Solar facilities through base rates. PNM has historically recovered the WREGIS
20 fees on the RECs associated with these facilities through the renewable rider rather than
21 base rates because these costs are necessary for demonstrating RPS compliance.
22 Therefore, for the PNM-Owned 2015 solar facilities, the WREGIS fees are included in
23 the Rider 36 annual revenue requirement.

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1 Similarly, PNM is requesting to recover only WREGIS fees associated with the Arroyo,
2 Jicarilla, and San Juan 1 solar projects (approved in Case No. 19-00195-UT), the
3 Atrisco Solar project (approved in Case No. 21-00215-UT), and the Quail Ranch Solar
4 Project (approved in Case No. 23-00353-UT) in this case. PNM is including the
5 associated WREGIS fees in the Rider 36 revenue requirement because the RECs
6 generated from these projects are necessary to demonstrate RPS compliance.

7

8 **Q. Please explain the change in PPA revenue requirements between the 2026 Rider**
9 **and the 2027 Rider.**

10 **A.** The amounts included in the 2027 rider revenue requirement are based on PNM's
11 current projections of purchases under the PPAs. These projections can be found in
12 PNM Exhibit RVH-7. La Joya II Wind and New Mexico Wind Energy Center PPAs
13 are expected to have lower production compared to 2026. The revenue requirement for
14 Red Mesa wind is expected to decrease due to projected lower production, despite the
15 annual price escalation included in the PPA agreement. The Lightning Dock
16 Geothermal PPA revenue requirement is expected to increase in 2027 due to annual
17 price escalation included in the PPA agreement and higher projected production. Please
18 refer to PNM witness Gutierrez's Direct Testimony for further discussion of the
19 projected MWh of all PPA facilities.

20

21 **Q. Please describe the change in the DG REC Purchase amounts between the 2026**
22 **Rider revenue requirement and the 2027 Rider revenue requirement.**

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- 1 1. Reconciliation of actual 2026 Rider revenues to actual 2026 procurement costs, and
2 2. True-up of projected costs included in the 2027 Rider with actual costs to the extent
3 available, including an update to the 2025 year-end WACC as shown in PNM
4 Exhibit RVH-8, based on the 2026 year-end WACC. PNM will propose a true-up
5 to the rider based on the amounts calculated above.

6

7 **Q. Please explain the earnings test that was put in place in Case No. 12-00007-UT.**

8 **A.**Pursuant to Paragraph H of the Recommended Decision in Case No. 12-00007-UT,
9 PNM will file a pro forma cost of service based on actual accounting records for the
10 2026 calendar year by April 1, 2027, that will reflect appropriate cost of service
11 adjustments in accordance with the final order in PNM’s most recent general rate case,
12 Case No. 24-00089-UT. If PNM’s retail earned Return on Equity (“ROE”) exceeds the
13 currently approved ROE by 50 basis points or more, the 2027 Rider will be adjusted to
14 refund the amount of PNM’s earnings in excess of 50 basis points above its authorized
15 ROE.

16

17 **Q. Does this conclude your direct testimony?**

A.Yes.

GCG#535294

Statement of Qualifications Randall V. Hackbarth

PNM Exhibit RVH-1

Is contained in the following 1 page.

RANDALL V. HACKBARTH
EDUCATIONAL AND PROFESSIONAL SUMMARY

Name: Randall V. Hackbarth

Address: TXNM Energy Inc.
MS 0915
414 Silver SW
Albuquerque, NM 87102

Position: Project Manager, Cost of Service

Education: Master of Business Administration, University of New Mexico 2020
Bachelor of Accountancy, New Mexico State University 2016

Employment: Employed by PNMR Services Company since 2020.
Positions held within the Company include:

Project Manager, Cost of Service
Sr. Analyst, Cost of Service
Accountant II, Utility Accounting
Accountant I, Division Accounting

Filed Testimony:

- Application of Texas-New Mexico Power Company to Amend Its Transmission Cost Recovery Factor, Docket No. 57578, filed January 24, 2025 (*TNMP TCOS update.*)
- Application of Texas-New Mexico Power Company to Amend Its Transmission Cost Recovery Factor, Docket No. 58443, filed July 24, 2025 (*TNMP TCOS update.*)
- Application of Texas-New Mexico Power Company to Amend Its Distribution Cost Recovery Factor, Docket No. 58468, filed July 31, 2025 (*TNMP 2025 DCRF.*)
- Application of Public Service Company of New Mexico for Approval of Renewable Energy Rider No. 36 Pursuant to Advice Notice No. 652 and for Variances from Certain Filing Requirements, Docket No. 26-0000043, filed February 27, 2006.

Summary 2027 Renewable Rider Revenue Requirement - Projected

PNM Exhibit RVH-2

Is contained in the following 1 page.

**PNM Exhibit RVH-2
2027 Renewable Energy Rider
Summary 2027 Renewable Rider Revenue Requirement - Projected**

Line No.	Description	2027 Revenue Requirement	Reference
1	PNM-Owned Facilities		
2	PNM-Owned 2011 Facilities Revenue Requirement - 22.5 MW	\$ 4,261,092	PNM Exhibit RVH-3, page 3, Column M, Line 130
3	PNM-Owned 2013 Facilities Revenue Requirement - 20 MW	3,345,234	PNM Exhibit RVH-4, page 2, Column M, Line 83
4	PNM-Owned 2014 Facilities Revenue Requirement - 23 MW	3,787,510	PNM Exhibit RVH-5, page 2, Column M, Line 83
5	PNM-Owned 2019 Facilities Revenue Requirement - 50 MW	6,866,525	PNM Exhibit RVH-6, page 2, Column M, Line 78
6	Total REC Fees for PNM-Owned 2015 facilities - 40 MW	804	Note 1
7	REC Fees for Tierra Que Can Microgrid	-	Note 1
8	Total PNM Owned Facilities Revenue Requirement	<u>18,261,166</u>	
9			
10	Purchased Power Agreements		
11	Geothermal PPA	7,280,509	PNM Exhibit RVH-7, page 1, Line 9
12	Red Mesa PPA	5,322,621	PNM Exhibit RVH-7, page 1, Line 20
13	New Mexico Wind Energy Center (NMWEC)	13,122,001	PNM Exhibit RVH-7, page 1, Line 31
14	La Joya II	6,783,792	PNM Exhibit RVH-7, page 1, Line 42
15	REC Fees for Community Solar I	2,093	Note 1
16	REC Fees for Jicarilla Solar I PPA	756	Note 1
17	REC Fees for Arroyo Solar PPA	5,469	Note 1
18	REC Fees for San Juan Solar PPA	4,500	Note 1
19	REC Fees for Atrisco Solar PPA	7,068	Note 1
20	REC Fees for Quail Ranch PPA	2,196	Note 1
21	Total PPA Revenue Requirement	<u>32,531,005</u>	
22			
23	Renewable Energy Certificates		
24	DG Programs REC Purchases	2,136,429	PNM Exhibit RVH-7, page 2, Line 48
25	2025 Compliance REC Purchases	-	PNM Exhibit RVH-7, page 2, Line 58
26	Total REC Revenue Requirements	<u>2,136,429</u>	
27			
28	2023 Sky Blue RECs Revenue Requirement	-	PNM Exhibit RVH-9, Line 18
29			
30	WREGIS Fee Adjustment (Estimated 2027 Banked RECs)	(2,623)	PNM Exhibit SG-2
31			
32	Renewable Filing and Reproduction Costs	50,000	
33			
34	WREGIS Annual Registration Fee	125	
35			
36	Total 2027 Revenue Requirement	<u>\$ 52,976,102</u>	
37	(Line 8 + Line 21 + Line 26 + Line 28 + Line 30 + Line 32 + Line 34)		

Note 1: Estimated retail share of REC costs associated with the listed locations

	Planned MWh	REC Cost per MWh	Estimated REC Fee
	A	B	A*B
PNM-Owned 2015 Facilities:	100,467	\$ 0.008	804
Tierra Que Can Microgrid Facility:	-	\$ 0.008	-
Community Solar I Facility:	261,641	\$ 0.008	2,093
Jicarilla Solar I Facility:	94,460	\$ 0.008	756
Arroyo Solar Facility:	683,596	\$ 0.008	5,469
San Juan Solar Facility:	562,562	\$ 0.008	4,500
Atrisco Solar Facility:	883,472	\$ 0.008	7,068
Quail Ranch Facility	274,547	\$ 0.008	2,196

2027 Estimated Annual Revenue Requirement for the PNM-Owned
2011 Facilities

PNM Exhibit RVH-3

Is contained in the following 3 pages.

PNM Exhibit RVH-3
 2027 Renewable Energy Rider
 2027 Estimated Annual Revenue Requirement for the PNM-Owned 2011 Facilities

Line No.	2027												2027 Projected
	January	February	March	April	May	June	July	August	September	October	November	December	Revenue Requirement
54	Other Allowable Expenses												
55	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(183,576)
56	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(183,576)
57													
58	Federal Income Tax												
59	22,082,622	22,051,285	22,019,948	21,988,611	21,957,274	21,925,937	21,894,600	21,863,262	21,831,925	21,800,588	21,769,251	21,737,914	21,737,914
60	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%
61	124,192	124,016	123,839	123,663	123,487	123,311	123,134	122,958	122,782	122,606	122,429	122,253	1,478,669
62	Less Return Adjustments												
63	(33,812)	(33,764)	(33,716)	(33,669)	(33,621)	(33,573)	(33,525)	(33,477)	(33,429)	(33,381)	(33,333)	(33,285)	(402,583)
64	Tax/Book Adjustments												
65	19	19	19	19	19	19	19	19	19	19	19	19	227
66	38,929	38,929	38,929	38,929	38,929	38,929	38,929	38,929	38,929	38,929	38,929	38,929	467,148
67	Flow Thru Item - ITC - 22 MW Solar												
68	38,948	38,948	38,948	38,948	38,948	38,948	38,948	38,948	38,948	38,948	38,948	38,948	467,375
69	194,985	194,985	194,985	194,985	194,985	194,985	194,985	194,985	194,985	194,985	194,985	194,985	2,339,825
70	654	654	654	654	654	654	654	654	654	654	654	654	7,850
71	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(15,298)	(183,576)
72	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(120,568)
73	Total Temporary Tax/Book Differences												
74	170,294	170,294	170,294	170,294	170,294	170,294	170,294	170,294	170,294	170,294	170,294	170,294	2,043,530
75	Total Return Adjustments												
76	175,430	175,478	175,526	175,574	175,622	175,670	175,718	175,766	175,814	175,862	175,910	175,957	2,108,323
77	Net Taxable Equity Return												
78	299,621	299,493	299,365	299,237	299,108	298,980	298,852	298,724	298,595	298,467	298,339	298,211	3,586,992
79	Federal Income Tax Adjustments												
80	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(962,888)
81	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(652,857)
82	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(429,141)
83	Total Federal Income Tax Adjustments before NOL												
84	(170,407)	(170,407)	(170,407)	(170,407)	(170,407)	(170,407)	(170,407)	(170,407)	(170,407)	(170,407)	(170,407)	(170,407)	(2,044,886)
85	Adjusted Equity Return before NOL												
86	129,214	129,086	128,958	128,829	128,701	128,573	128,445	128,316	128,188	128,060	127,932	127,803	1,542,106
87	-	-	-	-	-	-	-	-	-	-	-	-	-
88	Net Operating Loss Carryover												
89	NOL Deferred State Income Tax												
90	NOL Deferred Federal Income Tax												
91	129,214	129,086	128,958	128,829	128,701	128,573	128,445	128,316	128,188	128,060	127,932	127,803	1,542,106
92	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%
93	34,348	34,314	34,280	34,246	34,212	34,178	34,144	34,109	34,075	34,041	34,007	33,973	409,927
94	Current Federal Income Tax												
95	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(54,405)	(652,857)
96	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(35,762)	(429,141)
97	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(962,888)
98	Total Provision for Deferred Income Tax												
99	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(962,888)
100	Total Investment Tax Credit or Grant Amortization												
101	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(80,241)	(962,888)
102	Net Allowable Federal Income Tax												
103	(136,059)	(136,093)	(136,127)	(136,161)	(136,195)	(136,230)	(136,264)	(136,298)	(136,332)	(136,366)	(136,400)	(136,434)	(1,634,959)
104	State Income Tax												
105	124,192	124,016	123,839	123,663	123,487	123,311	123,134	122,958	122,782	122,606	122,429	122,253	1,478,669
106	Less: Return Adjustments												
107	(33,812)	(33,764)	(33,716)	(33,669)	(33,621)	(33,573)	(33,525)	(33,477)	(33,429)	(33,381)	(33,333)	(33,285)	(402,583)
108	38,948	38,948	38,948	38,948	38,948	38,948	38,948	38,948	38,948	38,948	38,948	38,948	467,375
109	170,294	170,294	170,294	170,294	170,294	170,294	170,294	170,294	170,294	170,294	170,294	170,294	2,043,530
110	(136,059)	(136,093)	(136,127)	(136,161)	(136,195)	(136,230)	(136,264)	(136,298)	(136,332)	(136,366)	(136,400)	(136,434)	(1,634,959)
111	Production Tax Credits (PTC)												
112	163,562	163,400	163,238	163,075	162,913	162,751	162,588	162,426	162,264	162,101	161,939	161,777	1,952,033
113	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%
114	9,650	9,641	9,631	9,621	9,612	9,602	9,593	9,583	9,574	9,564	9,554	9,545	115,170
115	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(120,568)
116	State Taxable Income												
117	-	-	-	-	-	-	-	-	-	-	-	-	-
118	State Tax Factor (Rate/1-Rate)												
119	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%
120	State Income Tax												
121	9,650	9,641	9,631	9,621	9,612	9,602	9,593	9,583	9,574	9,564	9,554	9,545	115,170
122	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(10,047)	(120,568)
123	Provision for Deferred State Income Tax												
124	-	-	-	-	-	-	-	-	-	-	-	-	-
125	Amortization of Excess Deferred Taxes												
126	-	-	-	-	-	-	-	-	-	-	-	-	-
127	Add: State Renewable ITC and PTC												
128	(397)	(407)	(416)	(426)	(435)	(445)	(455)	(464)	(474)	(483)	(493)	(503)	(5,398)

PNM Exhibit RVH-3
 2027 Renewable Energy Rider
 2027 Estimated Annual Revenue Requirement for the PNM-Owned 2011 Facilities

Line No.	2027												2027 Projected
	January	February	March	April	May	June	July	August	September	October	November	December	Revenue Requirement
115	Revenue Requirement Summary												
116	124,192	124,016	123,839	123,663	123,487	123,311	123,134	122,958	122,782	122,606	122,429	122,253	1,478,669
117	367,600	340,350	475,123	283,911	283,911	460,237	290,983	284,433	504,012	326,462	313,910	469,922	4,400,853
118	(136,059)	(136,093)	(136,127)	(136,161)	(136,195)	(136,230)	(136,264)	(136,298)	(136,332)	(136,366)	(136,400)	(136,434)	(1,634,959)
119	(397)	(407)	(416)	(426)	(435)	(445)	(455)	(464)	(474)	(483)	(493)	(503)	(5,398)
120	355,336	327,865	462,419	270,987	270,767	446,873	277,399	270,629	489,988	312,218	299,446	455,238	4,239,165
121	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%
122	1,807	1,667	2,352	1,378	1,377	2,273	1,411	1,376	2,492	1,588	1,523	2,315	21,559
123													
124	Revenue Requirements	357,143	329,533	464,770	272,365	272,144	449,146	278,810	272,006	492,480	313,806	300,969	4,260,724
125													
126	MWh output expected												45,994
127	WREGIS fee \$/MWh												0.008
128	WREGIS Registration Fee												368
129													
130	Total Revenue Requirements												4,261,092

PNM Exhibit RVH-2, line 2

2027 Estimated Annual Revenue Requirement for the PNM-Owned
2013 Facilities

PNM Exhibit RVH-4

Is contained in the following 2 pages.

PNM Exhibit RVH-4
2027 Renewable Energy Rider
2027 Estimated Annual Revenue Requirement for the PNM-Owned 2013 Facilities

Line No.	2027												2027 Projected Revenue Requirement	
	January	February	March	April	May	June	July	August	September	October	November	December		
1														
2	Plant in Service													
3														
4	45,076,972	45,076,972	45,076,972	45,076,972	45,076,972	45,076,972	45,076,972	45,076,972	45,076,972	45,076,972	45,076,972	45,076,972	45,076,972	45,076,972
5	665,400	665,400	665,400	665,400	665,400	665,400	665,400	665,400	665,400	665,400	665,400	665,400	665,400	665,400
6	45,742,372	45,742,372	45,742,372	45,742,372	45,742,372	45,742,372	45,742,372	45,742,372	45,742,372	45,742,372	45,742,372	45,742,372	45,742,372	45,742,372
7	(19,740,743)	(19,868,330)	(19,995,918)	(20,123,503)	(20,251,090)	(20,378,676)	(20,506,263)	(20,633,849)	(20,761,436)	(20,889,023)	(21,016,609)	(21,144,196)	(21,271,782)	(21,400,369)
8	Net Plant in Service	26,001,629	25,874,043	25,746,456	25,618,869	25,491,283	25,363,696	25,236,110	25,108,523	24,980,936	24,853,350	24,725,763	24,598,177	24,598,177
9	Accumulated Deferred Income Taxes													
10														
11	(37,844,706)	(37,846,208)	(37,847,709)	(37,849,211)	(37,850,713)	(37,852,214)	(37,853,716)	(37,855,218)	(37,856,719)	(37,858,221)	(37,859,723)	(37,861,224)	(37,862,726)	(37,864,228)
12														
13	21,411,178	21,304,843	21,198,508	21,092,173	20,985,838	20,879,503	20,773,168	20,666,833	20,560,498	20,454,163	20,347,828	20,241,492	20,135,157	20,028,822
14	6,825,158	6,824,168	6,823,179	6,822,190	6,821,200	6,820,211	6,819,221	6,818,232	6,817,243	6,816,253	6,815,264	6,814,274	6,813,284	6,812,294
15	ADIT Balance as of 12/31/2017	(12,374,365)	(12,374,365)	(12,374,365)	(12,374,365)	(12,374,365)	(12,374,365)	(12,374,365)	(12,374,365)	(12,374,365)	(12,374,365)	(12,374,365)	(12,374,365)	(12,374,365)
16	Excess Deferred Federal Income Taxes (EDFIT)	2,111,738	2,142,493	2,173,247	2,204,002	2,234,756	2,265,511	2,296,265	2,327,020	2,357,774	2,388,529	2,419,283	2,450,038	2,480,792
17	Excess Deferred State Income Taxes (EDSIT)	231,608	231,608	231,608	231,608	231,608	231,608	231,608	231,608	231,608	231,608	231,608	231,608	231,608
18	Deferred Tax - Plant	2,583,073	2,610,082	2,637,092	2,664,101	2,691,110	2,718,119	2,745,128	2,772,137	2,799,146	2,826,155	2,853,164	2,880,173	2,907,182
19	Total Accumulated Deferred Income Taxes	(7,447,946)	(7,390,182)	(7,332,419)	(7,274,655)	(7,216,892)	(7,159,128)	(7,101,364)	(7,043,601)	(6,985,837)	(6,928,074)	(6,870,310)	(6,812,546)	(6,812,546)
20	Other Rate Base Additions (Deductions) Prepaid Insurance													
21														
22	27,370	27,370	27,370	27,370	27,370	27,370	27,370	27,370	27,370	27,370	27,370	27,370	27,370	27,370
23	Total Rate Base													
24	18,581,053	18,511,230	18,441,407	18,371,584	18,301,761	18,231,938	18,162,115	18,092,292	18,022,469	17,952,646	17,882,823	17,813,000	17,743,177	17,813,000
25	Weighted Cost of Capital (PNM Exhibit RVH-8, line 4)													
26														
27	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%
28	Return on Rate Base													
29														
30	104,499	104,106	103,714	103,321	102,928	102,536	102,143	101,750	101,358	100,965	100,572	100,180	99,787	100,180
31	Operations & Maintenance Expense													
32														
33	47,980	37,274	90,221	15,102	15,102	84,373	17,880	15,307	101,570	31,818	26,887	88,177	571,692	571,692
34	Depreciation and Amortization Expense													
35														
36	127,587	127,587	127,587	127,587	127,587	127,587	127,587	127,587	127,587	127,587	127,587	127,587	127,587	127,587
37	Property Taxes													
38														
39	15,293	15,293	15,293	15,293	15,293	15,293	15,293	15,293	15,293	15,293	15,293	15,293	15,293	15,293
40	Federal Income Tax													
41														
42	(28,451)	(28,344)	(28,237)	(28,130)	(28,023)	(27,916)	(27,809)	(27,703)	(27,596)	(27,489)	(27,382)	(27,275)	(27,168)	(27,061)
43	Return Adjustments													
44														
45														
46	989	989	989	989	989	989	989	989	989	989	989	989	989	989
47	Investment Tax Credits													
48														
49	989	989	989	989	989	989	989	989	989	989	989	989	989	989
50	Total Permanent Differences													
51														
52	106,335	106,335	106,335	106,335	106,335	106,335	106,335	106,335	106,335	106,335	106,335	106,335	106,335	106,335
53	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)
54	Deferred State Income Tax													
55														
56	100,411	100,411	100,411	100,411	100,411	100,411	100,411	100,411	100,411	100,411	100,411	100,411	100,411	100,411
57	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)
58	Deferred Federal Taxes before NOL													
59														
60	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)
61	Adjusted Current Equity Return before NOL													
62														
63	125,608	125,322	125,036	124,750	124,465	124,179	123,893	123,607	123,321	123,036	122,750	122,464	122,178	122,464
64	Net Operating Loss Carryover													
65														
66														
67														
68	NOL Deferred State Income Tax													
69														
70														
71	125,608	125,322	125,036	124,750	124,465	124,179	123,893	123,607	123,321	123,036	122,750	122,464	122,178	122,464
72	NOL Deferred Federal Income Tax													
73														
74	26,582.3%	26,582.3%	26,582.3%	26,582.3%	26,582.3%	26,582.3%	26,582.3%	26,582.3%	26,582.3%	26,582.3%	26,582.3%	26,582.3%	26,582.3%	26,582.3%
75	33,389	33,313	33,237	33,161	33,086	33,010	32,934	32,858	32,782	32,706	32,630	32,554	32,478	32,402
76	Total Current Federal Income Tax													
77														
78	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)	(21,086)
79	Amortization of Excess Deferred Federal Income Taxes (EDFIT)													
80														
81	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)	(30,755)
82	Investment Tax Credits													
83														
84														
85	18,451	18,527	18,603	18,679	18,755	18,831	18,907	18,983	19,059	19,135	19,211	19,287	19,363	19,439
86	State Income Tax													
87														
88	158,997	158,635	158,274	157,912	157,550	157,188	156,827	156,465	156,103	155,741	155,380	155,018	154,656	154,295
89	State Tax Rate													
90														
91	5.9002%	5.9002%	5.9002%	5.9002%	5.9002%	5.9002%	5.9002%	5.9002%	5.9002%	5.9002%	5.9002%	5.9002%	5.9002%	5.9002%
92	Total Current State Income Tax													
93														
94	9,381	9,359	9,338	9,317	9,295	9,274	9,253	9,231	9,210	9,189	9,167	9,146	9,125	9,104
95	Total Deferred State Income Tax													
96														
97	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)	(5,924)
98	Amortization of Excess Deferred Taxes													
99														
100														
101														
102														
103														
104														
105														
106														
107														
108														
109														
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PNM Exhibit RVH-4
 2027 Renewable Energy Rider
 2027 Estimated Annual Revenue Requirement for the PNM-Owned 2013 Facilities

Line No.
 78
 79 MW in output expected
 80 WREGIS fee \$/MW
 81 WREGIS Annual Fee
 82
 83 Total Revenue Requirements for PNM-Owned 2013 Facilities

A	B	C	D	E	F	G	H	I	J	K	L	M
2027												2027 Projected
January	February	March	April	May	June	July	August	September	October	November	December	Revenue Requirement
												43,950
												0.008
												352
												PNM Exhibit RVH-2, line 3
												3,345,234

2026 Estimated Annual Revenue Requirement for the PNM-Owned
2014 Facilities

PNM Exhibit RVH-5

Is contained in the following 2 pages.

PNM Exhibit RVH-5
 2027 Renewable Energy Rider
 2027 Estimated Annual Revenue Requirement for the PNM-Owned 2014 Facilities

Line No.	2027												2027 Projected Revenue Requirement	
	January	February	March	April	May	June	July	August	September	October	November	December		
1														
2	Plant In Service													
3	23 MW PV Solar	44,959,308	44,959,308	44,959,308	44,959,308	44,959,308	44,959,308	44,959,308	44,959,308	44,959,308	44,959,308	44,959,308	44,959,308	44,959,308
4	Land	1,714,747	1,714,747	1,714,747	1,714,747	1,714,747	1,714,747	1,714,747	1,714,747	1,714,747	1,714,747	1,714,747	1,714,747	1,714,747
5	Total Gross Plant In Service	46,674,055	46,674,055	46,674,055	46,674,055	46,674,055	46,674,055	46,674,055	46,674,055	46,674,055	46,674,055	46,674,055	46,674,055	46,674,055
6	Accumulated Depreciation - 23 MW	(18,097,083)	(18,225,375)	(18,353,667)	(18,481,959)	(18,610,251)	(18,738,543)	(18,866,835)	(18,995,127)	(19,123,419)	(19,251,711)	(19,380,003)	(19,508,295)	(19,508,295)
7	Net Plant In Service	28,576,972	28,448,680	28,320,388	28,192,097	28,063,805	27,935,513	27,807,221	27,678,929	27,550,637	27,422,345	27,294,053	27,165,761	27,165,761
9	Accumulated Deferred Income Taxes													
10	Tax Depreciation	(37,690,260)	(37,691,110)	(37,691,959)	(37,692,809)	(37,693,658)	(37,694,507)	(37,695,357)	(37,696,206)	(37,697,056)	(37,697,905)	(37,698,754)	(37,699,604)	(37,699,604)
11	Deferred	22,676,144	22,568,639	22,461,134	22,353,629	22,246,124	22,138,620	22,031,115	21,923,610	21,816,105	21,708,600	21,601,095	21,493,591	21,493,591
12	Flow-Through AFUDC Equity and ITC Basis Diff	6,844,211	6,843,180	6,842,149	6,841,118	6,840,087	6,839,056	6,838,026	6,836,995	6,835,964	6,834,933	6,833,902	6,832,871	6,832,871
13	ADIT Balance as of 12/31/2017	(12,054,527)	(12,054,527)	(12,054,527)	(12,054,527)	(12,054,527)	(12,054,527)	(12,054,527)	(12,054,527)	(12,054,527)	(12,054,527)	(12,054,527)	(12,054,527)	(12,054,527)
14	Excess Deferred Federal Income Taxes (EDFIT)	2,057,156	2,087,116	2,117,076	2,147,035	2,176,995	2,206,954	2,236,914	2,266,874	2,296,833	2,326,793	2,356,752	2,386,712	2,386,712
16	Excess Deferred State Income Taxes (EDSIT)	225,621	225,621	225,621	225,621	225,621	225,621	225,621	225,621	225,621	225,621	225,621	225,621	225,621
17	Deferred Tax - Plant	2,023,976	2,051,282	2,078,588	2,105,894	2,133,201	2,160,507	2,187,813	2,215,119	2,242,426	2,269,732	2,297,038	2,324,344	2,324,344
18	Total Accumulated Deferred Income Taxes	(7,747,773)	(7,690,508)	(7,633,242)	(7,575,976)	(7,518,710)	(7,461,444)	(7,404,179)	(7,346,913)	(7,289,647)	(7,232,381)	(7,175,115)	(7,117,849)	(7,117,849)
19														
20	Other Rate Base Additions (Deductions) Prepaid Insurance	44,742	44,742	44,742	44,742	44,742	44,742	44,742	44,742	44,742	44,742	44,742	44,742	44,742
21														
22	Total Rate Base	20,873,941	20,802,915	20,731,889	20,660,863	20,589,836	20,518,810	20,447,784	20,376,758	20,305,732	20,234,706	20,163,679	20,092,653	20,092,653
23														
24	Weighted Cost of Capital (PNM Exhibit RVH-8, line 4)	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%
25														
26	Return on Rate Base	117,394	116,995	116,595	116,196	115,796	115,397	114,997	114,598	114,199	113,799	113,400	113,000	1,382,366
27														
28	Operations & Maintenance Expense	65,427	50,829	123,028	20,594	20,594	115,054	24,382	20,873	138,505	43,888	36,664	120,242	779,580
29														
30	Depreciation and Amortization Expense	128,292	128,292	128,292	128,292	128,292	128,292	128,292	128,292	128,292	128,292	128,292	128,292	1,539,504
31														
32	Property Taxes	16,801	16,801	16,801	16,801	16,801	16,801	16,801	16,801	16,801	16,801	16,801	16,801	201,607
33														
34	Federal Income Tax													
35	Return Adjustments													
36	Interest	(31,962)	(31,853)	(31,744)	(31,635)	(31,527)	(31,418)	(31,309)	(31,200)	(31,092)	(30,983)	(30,874)	(30,765)	(376,363)
37	Tax/Book Adjustments													
38	Flow Thru Item - ITC													
39	AFUDC Equity	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	12,370
40	Investment Tax Credits	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Total Permanent Differences	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	12,370
42	Depreciation & AFUDC Debt	107,505	107,505	107,505	107,505	107,505	107,505	107,505	107,505	107,505	107,505	107,505	107,505	1,290,058
43	Deferred State Income Tax	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(71,873)
44	Total Temporary Differences	101,515	101,515	101,515	101,515	101,515	101,515	101,515	101,515	101,515	101,515	101,515	101,515	1,218,185
45	Amortization of Excess Deferred Federal Income Taxes (EDFIT)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(359,515)
46	Deferred Federal Taxes before NOL	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(255,819)
47	Adjusted Current Equity Return before NOL	136,701	136,410	136,119	135,829	135,538	135,247	134,957	134,666	134,375	134,085	133,794	133,503	1,621,224
48	Net Operating Loss Carryover	-	-	-	-	-	-	-	-	-	-	-	-	-
49	NOL Deferred State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
50	NOL Deferred Federal Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
51	Net Current Taxable Equity Return	136,701	136,410	136,119	135,829	135,538	135,247	134,957	134,666	134,375	134,085	133,794	133,503	1,621,224
52	Federal Tax Rate	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%	26.5823%
53	Total Current Federal Income Tax	36,338	36,261	36,184	36,106	36,029	35,952	35,875	35,797	35,720	35,643	35,565	35,488	430,959
54	Total Provision for Deferred Federal Income Tax	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(21,318)	(255,819)
55	Amortization of Excess Deferred Federal Income Taxes (EDFIT)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(29,960)	(359,515)
56	Investment Tax Credits	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Total Federal Income Tax	(14,940)	(15,017)	(15,094)	(15,171)	(15,249)	(15,326)	(15,403)	(15,481)	(15,558)	(15,635)	(15,712)	(15,790)	(184,375)
58														
59	State Income Tax													
60	Net Current Taxable Equity Return	173,039	172,671	172,303	171,935	171,567	171,199	170,831	170,463	170,095	169,727	169,359	168,991	2,052,183
61	State Tax Rate	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%	5.9000%
62	Total Current State Income Tax	10,209	10,188	10,166	10,144	10,122	10,101	10,079	10,057	10,036	10,014	9,992	9,970	121,079
63	Total Deferred State Income Tax	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(5,989)	(71,873)
64	Amortization of Excess Deferred Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
65	State Renewable PTC	-	-	-	-	-	-	-	-	-	-	-	-	-
66	Total State Income Tax	4,220	4,198	4,176	4,155	4,133	4,111	4,090	4,068	4,046	4,025	4,003	3,981	49,206
67														
68	Revenue Requirement Summary													
69	Return on Rate Base	117,394	116,995	116,595	116,196	115,796	115,397	114,997	114,598	114,199	113,799	113,400	113,000	1,382,366
70	Total Operating Expenses	210,520	195,921	268,121	165,686	165,686	260,146	169,475	165,966	283,597	188,481	181,757	265,335	2,520,691
71	Net Allowable Federal Income Tax	(14,940)	(15,017)	(15,094)	(15,171)	(15,249)	(15,326)	(15,403)	(15,481)	(15,558)	(15,635)	(15,712)	(15,790)	(184,375)
72	Net Allowable State Income Tax	4,220	4,198	4,176	4,155	4,133	4,111	4,090	4,068	4,046	4,025	4,003	3,981	49,206
73	Total Revenue Requirements before Revenue Tax	317,194	302,097	373,799	270,865	270,367	364,329	273,158	269,151	386,284	290,670	283,447	366,526	3,767,888
74	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%
75	Revenue Tax	1,613	1,536	1,901	1,378	1,375	1,853	1,389	1,360	1,965	1,478	1,442	1,864	19,162
76														
77	Revenue Requirements for PNM-Owned 2014 Facilities	318,807	303,634	375,700	272,243	271,742	366,182	274,548	270,520	388,249	292,148	284,888	368,390	3,787,050

PNM Exhibit RVH-5
 2027 Renewable Energy Rider
 2027 Estimated Annual Revenue Requirement for the PNM-Owned 2014 Facilities

	A	B	C	D	E	F	G	H	I	J	K	L	M
	2027												2027 Projected
Line No.	January	February	March	April	May	June	July	August	September	October	November	December	Revenue Requirement
78													
79													57,543
80													0.008
81													460
82													
83	Total Revenue Requirements for PNM-Owned 2014 Facilities												PNM Exhibit RVH-2, line 4 3,787,510

2027 Estimated Annual Revenue Requirement for the PNM-Owned
2019 Facilities

PNM Exhibit RVH-6

Is contained in the following 2 pages.

PNM Exhibit RVH-6
 2027 Renewable Energy Rider
 2027 Estimated Annual Revenue Requirement for the PNM-Owned 2019 Facilities

	A	B	C	D	E	F	G	H	I	J	K	L	M
	2027												2027 Projected
Line No.	January	February	March	April	May	June	July	August	September	October	November	December	Revenue Requirement
73													133,899
74													0.008
75													1,071
76													
77													
78	<i>Total Revenue Requirements for PNM-Owned 2019 Facilities</i>												6,866,525

PNM Exhibit RVH-2, line 5

2026 Estimated Annual Revenue Requirement for Purchased Poer
Agreements and Renewable Energy Certificate Purchases

PNM Exhibit RVH-7

Is contained in the following 2 pages.

PNM Exhibit RVH-7
2027 Renewable Energy Rider
2027 Estimated Annual Revenue Requirement for Purchased Power
Agreements and Renewable Energy Certificate Purchases

Line No.	Purchased Power Agreement	Amount	
1	Geothermal PPA		
2	Annual Sales (MWh)	65,500	
3	Price (\$/MWh)	\$ 111.15	
4	Energy/REC Cost	\$ 7,280,247	
5			
6	WREGIS cost per MWh	\$ 0.004	
7	WREGIS fees	\$262	
8			
9	Total Geothermal PPA	\$7,280,509	PNM Exhibit RVH-2, line 11
10	Total Geothermal PPA Cost per MWh	\$ 111.15	
11			
12	Red Mesa PPA		
13	Annual Sales (MWh)	150,300	
14	Price (\$/MWh)	\$ 35.41	
15	Energy/REC Cost	\$ 5,322,019	
16			
17	WREGIS cost per MWh	\$ 0.004	
18	WREGIS fees	\$601	
19			
20	Total Red Mesa PPA	\$5,322,621	PNM Exhibit RVH-2, line 12
21	Total Red Mesa PPA Cost per MWh	\$ 35.41	
22			
23	New Mexico Wind Energy Center (NMWEC) PPA		
24	Annual Sales (MWh)	481,400	
25	Price (\$/MWh)	\$ 27.25	
26	Energy/REC Cost	\$ 13,118,150	
27			
28	WREGIS cost per MWh	\$ 0.008	
29	WREGIS fees	\$3,851	
30			
31	Total NMWEC PPA	\$13,122,001	PNM Exhibit RVH-2, line 13
32	Total NMWEC PPA Cost per MWh	\$ 27.26	
33			
34	La Joya II Wind PPA		
35	Annual Sales (MWh)	388,000	
36	Price (\$/MWh)	17.48	
37	Energy/REC Cost	\$ 6,782,240	
38			
39	WREGIS cost per MWh	\$ 0.004	
40	WREGIS fees	\$1,552	
41			
42	Total La Joya II PPA	\$6,783,792	PNM Exhibit RVH-2, line 14
43	Total La Joya II PPA Cost per MWh	\$ 17.48	

PNM Exhibit RVH-7
2027 Renewable Energy Rider
2027 Estimated Annual Revenue Requirement for Purchased Power
Agreements and Renewable Energy Certificate Purchases

Line No.

44				
45	REC Purchases			
46	DG Programs			
47	DG Annual Purchases (MWh)		38,168	
48	Total DG Programs REC Purchases		\$2,136,429	PNM Exhibit RVH-2, line 24
49	Total DG Programs REC Cost per MWh	\$	55.97	
50				
51	2025 Compliance REC Purchases -MWh		-	
52	Total REC Costs		\$0	
53	Average Price (\$/MWh)		\$1.00	
54				
55	WREGIS cost per MWh		\$0.004	
56	WREGIS fees		\$0	
57				
58	2025 Compliance REC Purchases - True-Up	\$	-	PNM Exhibit RVH-2, line 25

December 31, 2025 Year End Weighted Average Cost of Capital

PNM Exhibit RVH-8

Is contained in the following 1 page.

PNM Exhibit RVH-8
 2027 Renewable Energy Rider
 December 31, 2025 Year End Weighted Average Cost of Capital

Line No.	Capital Component	A Total Capitalization Base Period	B Percentage of Total Capitalization	C Capital Component Cost	D Weighted Average Cost
1	Long Term Debt	2,215,063	47.90%	3.84%	1.84%
2	Preferred Stock	11,529	0.25%	4.62%	0.01%
3	Common Equity	2,397,681	51.85%	9.45%	4.90%
4	Total	<u>4,624,274</u>	<u>100.00%</u>		<u>6.75%</u>

Composite Tax Rate:	25.40%
Tax Gross-Up	
Debt	1.84%
Preferred	0.02%
Common	6.57%
Total	<u>8.42%</u>

Estimated Annual Revenue Requirement for the Sky Blue Regulatory
Asset

PNM Exhibit RVH-9

Is contained in the following 1 page.

**PNM Exhibit RVH-9
 2027 Renewable Energy Rider
 Estimated Annual Revenue Requirement for the Sky Blue Regulatory Asset**

Amortization Period (Years)

1

Line No.	2027 Revenue Requirement	
1		
2	-	PNM Exhibit RVH-10, line 19
3		
4	-	
5		
6	-	
7		
8	-	
9		
10	0.00%	
11		
12	-	
13		
14	-	
15		
16	-	
17		
18	-	PNM Exhibit RVH-2, line 28

Estimated Balance of the Sky Blue Regulatory Asset

PNM Exhibit RVH-10

Is contained in the following 1 page.

PNM Exhibit RVH-10
2027 Renewable Energy Rider
Estimated Balance of the Sky Blue Regulatory Asset

		L
		2027
Line No.		
1		
2	PNM 8 MW Manzano Solar Facility RECs (MWh)	
3	Remove: 6.5 MW of Manzano Solar Facility Recovered Through Rider 36	
4	PNM 1.5 MW Manzano Solar Facility Sky Blue RECs (MWh)	
5	Remove: Sky Blue RECs utilized in Sky Blue Program	
6	Remove: RECs sold	
7	Remaining Sky Blue RECs (Banked)	
8		
9	Cost per MWh	
10		
11	Sky Blue Regulatory Asset (Under Collection)	
12		-
13	WREGIS Fee to Register RECs (\$0.005/REC)	
14	Sky Blue Regulatory Asset (Under Collection) with WREGIS Fees	-
15		
16	Carrying Charges - 0.00%	-
17	(Over)/Under Collection including Carry Charges	-
18		
19	Cumulative (Over)/Under Collection	-
20		
21		
22	<u>Assumptions:</u>	
23	Carrying Charges	
24		
25		
26		
27	Manzano Solar Facility Revenue Requirement (8 MW)	
28	Manzano Solar Facility Energy MWh (8 MW)	
29	Manzano Solar Facility Cost/REC	
30		
31		
32	Proof of Reasonableness:	
33	PNM Owned 2013 Solar - Actual Revenue Requirement	
34	PNM Owned 2013 Solar - Actual Energy (MWh)	
35	PNM Owned 2013 Solar - Actual Cost/REC	

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF PUBLIC SERVICE)
COMPANY OF NEW MEXICO'S)
RENEWABLE ENERGY ACT PLAN)
FOR 2027 AND PROPOSED 2027 RIDER)
RATE UNDER RATE RIDER No. 36,)
)
PUBLIC SERVICE COMPANY OF NEW)
MEXICO,)
)
Applicant.)
_____)**

Docket No. 26-0000XXX

SELF AFFIRMATION

RANDALL HACKBARTH, Project Manager, Cost of Service, PNMR Services, upon being duly sworn according to law, under oath, deposes and states: I have read the foregoing **Direct Testimony of Randall Hackbarth** and it is true and accurate based on my own personal knowledge and belief.

DATED this 28th day of May, 2026.

/s/ Randall Hackbarth _____
RANDALL HACKBARTH

GCG # 535296