BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE JOINT APPLICATION OF PUBLIC SERVICE COMPANY OF NEW MEXICO, TXNM ENERGY, INC. AND TROY PARENTCO LLC FOR APPROVAL OF AN ACQUISITION AND MERGER OF TROY MERGER SUB INC. WITH TXNM ENERGY, INC.; APPROVAL OF A GENERAL DIVERSIFICATION PLAN; AND ALL OTHER AUTHORIZATIONS AND APPROVALS REQUIRED TO CONSUMMATE AND IMPLEMENT THIS TRANSACTION	)	
PUBLIC SERVICE COMPANY OF NEW MEXICO, TXNM ENERGY, INC. AND TROY PARENTCO LLC,	)	
JOINT APPLICANTS.	)	**Case No. 25-00060-UT**

REVISED TESTIMONY AND EXHIBIT

OF

SEAN KLIMCZAK

IN SUPPORT OF THE REVISED APPLICATION

SEPTEMBER 15, 2026

NMPRC CASE NO. 25-00060-UT

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SEAN KLIMCZAK

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SELF AFFIRMATION

REVISED TESTIMONY OF
SEAN KLIMCZAK
CASE NO. 25-00060-UT

I. INTRODUCTION AND PURPOSE OF TESTIMONY

Q. Please state your name and business address.

A. My name is Sean Klimczak. My business address 345 Park Avenue, 16th Floor New York, NY 10154.

Q. By whom are you employed and what is your position?

A. I am the Global Head of Infrastructure and a Senior Managing Director of Blackstone Inc. ("Blackstone"), a publicly traded investment firm listed on the New York Stock Exchange (NYSE: BX). As the Global Head of Infrastructure, I oversee the day-to-day operations of Blackstone Infrastructure Partners L.P. ("BIP") and the other funds and accounts within Blackstone Infrastructure as that term is defined below in my revised testimony ("Revised Testimony").[1]

Q. On whose behalf are you submitting this testimony?

A. I am submitting testimony on behalf of Troy ParentCo LLC ("Troy") to address the role that Troy will play in the future ownership structure of the Public Service Company of New Mexico ("PNM") if the transaction proposed in this case is approved, including information about Blackstone Infrastructure, which will own and control Troy.

[1] Blackstone Infrastructure and other capitalized terms not defined herein have the meanings provided in Revised Application Exhibit F, the Revised 2026 General Diversification Plan, filed in this matter.

Q. Please briefly describe your professional experience and your educational qualifications.

A. Attached to this Revised Testimony as JA Revised Exhibit SK-1 is my resume which contains details of my education and professional experience. Briefly, I graduated from the University of Notre Dame and received an MBA from Harvard Business School. I joined Blackstone in 2005 and, since joining Blackstone, investing in electric infrastructure has been one of my most significant areas of focus. As such, I have been involved in numerous investments in the electric infrastructure sector involving regulated utilities, independent generation and transmission operators, and renewable developers. In 2017, BIP was founded in response to a clear demand from Blackstone's institutional investors to invest in the infrastructure sector in a more focused manner.

Q. Have you previously filed testimony before the New Mexico Public Regulation Commission ("Commission") or any other regulatory authorities?

A. Yes. I have previously filed the following testimony before the Commission in this case:

- August 25, 2025 – Direct Testimony in support of the Joint Application ("Direct Testimony").

Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to support the request that the Commission approve the acquisition of TXNM Energy, Inc. ("TXNM"), and indirectly TXNM's subsidiary PNM, by Troy (the "Acquisition"). I will provide the Commission with a summary of the proposed Acquisition as well as information about the proposed new public utility holding

companies of PNM, the investment philosophy of Blackstone Infrastructure, and why Troy is seeking to acquire PNM. Finally, I make all of the commitments required under 17.6.450 NMAC on behalf of Troy and Blackstone Infrastructure.

In my Revised Testimony, I have made factual updates and revised the testimony to reflect the Joint Applicants' experience engaging with PNM stakeholders and communities for more than a year. This Revised Testimony completely replaces my Direct Testimony.

II. SUMMARY OF THE ACQUISITION AND BLACKSTONE INFRASTRUCTURE

Q. Please summarize the transaction which is being proposed in the Revised Application and supported in this and the accompanying revised testimonies.

A. The Joint Applicants are proposing the Acquisition, by which Troy will acquire TXNM and its direct subsidiary, PNM. Specifically, Troy will cause its direct wholly owned subsidiary, Troy Merger Sub Inc., to merge with and into TXNM. Upon completion of the merger, TXNM will be the surviving corporation and will be a direct wholly owned subsidiary of Troy, and thereby indirectly wholly owned and controlled by the broader Blackstone Infrastructure umbrella. The Joint Applicants request approval of the Acquisition; approval of PNM's Revised 2026 General Diversification Plan ("Revised 2026 GDP"), which replaces any previous diversification plans; and other approvals as set forth in the Revised Application ("Revised Application").

Q. Who is Troy and what is Blackstone Infrastructure?

A. Troy is an entity specifically created for the purpose of acquiring and holding TXNM. Troy is controlled and owned by Blackstone Infrastructure.

As Witness Sherman discusses in detail in his revised testimony, Blackstone Infrastructure is an umbrella term that encompasses Blackstone Infrastructure Management and Blackstone Infrastructure Funds, along with parallel funds and accounts, all controlled by Blackstone Infrastructure Management. Blackstone Infrastructure currently has more than $90 billion in assets under management.[2] Blackstone Infrastructure is ultimately controlled by Blackstone.

While Blackstone controls Blackstone Infrastructure, the actions of Blackstone Infrastructure do not require approval by the board of directors or shareholders of Blackstone. Rather, the day-to-day operations of Blackstone Infrastructure are managed by me and the other Senior Managing Directors on the Blackstone Infrastructure team.

Q. Why is Blackstone Infrastructure interested in New Mexico and proposing to purchase TXNM?

A. Blackstone Infrastructure and Troy are excited about the opportunities in New Mexico and at TXNM for a number of reasons.

[2] For purposes of the assets under management calculation, Blackstone Infrastructure is deemed to include other funds and accounts advised and/or managed by Blackstone Infrastructure Advisors L.L.C., and related vehicles of such funds and accounts, in each case, that are not participating in the Acquisition.

New Mexico is experiencing above average gross domestic product growth, driven by a vibrant mix of industries such as manufacturing and technology. This diverse economic landscape is creating an environment for investment. Importantly, New Mexico is at a pivotal moment, with a commitment to carbon-free electric generation as well as growing electricity demand. There is a lot of excitement about the future of energy in New Mexico, and we want to be part of the story and contribute to the energy transition that is taking place in New Mexico.

The Blackstone Infrastructure team has been working to increase our investments in utilities for several years. The utility sector is expected to see significant growth in the next several years, because of the electrification of heating and vehicles, the reindustrialization of our economy and digital infrastructure and other industrial demand. We want to be part of this story through reasonable and prudent investments that bring benefits to customers and support PNM's transition to clean energy. Utility investments are attractive for Blackstone Infrastructure and our investors because utility investments typically provide for steady, lower-risk returns over the long term compared to other higher growth and higher risk industries.

Generally, we at Blackstone Infrastructure look for supportive environments to invest in. PNM is in a state that we believe supports energy investments. As discussed in more detail by Witness Tarry, the recently enacted Senate Bill 170, which addresses economic development investment, is a great example of the supportive energy policies New Mexico is adopting. Additionally, it is our understanding that the current regulatory environment

in New Mexico is positively focused on implementing state policies and that the State is supportive of the type of investments in infrastructure that will be necessary to drive economic growth in the State for years to come.

We also see benefits from the fact that PNM is vertically integrated. We believe that utilities that manage and control the generation, transmission, and distribution system can optimize the delivery of utility service to best serve customers and support a stable and reliable electric grid. Stability and reliability not only benefit customers receiving electric service, they also foster economic development. We are happy to support PNM's journey to meet the requirements of the Energy Transition Act.

We also believe that renewable energy generation plays a key role in the future of electric utility service and see the Acquisition as a way to support that role. Given that we are focused on long-term investments, optimizing investment in megatrends like the energy transition that will endure over the very long term is critical to our investment philosophy. New Mexico is well situated for renewables development, including windfarms, solar generation, early stage geothermal, battery storage, and transmission assets that will positively position New Mexico for growth in the coming years. We think that investment in renewable power, especially by regulated, vertically integrated utilities like PNM, is good for customers and for utility operators.

Blackstone Infrastructure recognizes businesses like utility service require local knowledge. What works for one state may not be a good fit for another state. While we can

bring industry best practices to core business operations, we know that we need experienced local management in order to focus on the issues that matter the most to the people of New Mexico. Thus, even though Troy will indirectly control PNM, PNM will be operated by the local management team and the PNM Board, with key decisions such as budgeting, dividend policy, and capital investments determined by PNM management and the PNM Board, as Witness Boyd discusses in her revised testimony. That is one of the reasons we are attracted to PNM, as we value the long tenures and homegrown talent that exist at PNM. We believe that PNM is a well-run business, with strong local management, and is focused on the long-term needs of New Mexico—providing reliable utility service, meeting the challenge of the energy transition, and modernizing the grid to foster economic growth in New Mexico. With the support of Blackstone Infrastructure and its resources, PNM and its management will be even stronger. For all of these reasons, PNM is a perfect fit for Blackstone Infrastructure's investment profile.

Q. What are the key aspects of the Acquisition that you would like to emphasize?

A. There are a lot of positives that will occur as a result of this transaction. I would like to briefly highlight the following:

- As discussed in Witness Sherman's revised testimony, Blackstone Infrastructure is a long-term investor and is committed through Troy to providing PNM with the necessary funding PNM needs to comply with the Energy Transition Act, modernize its grid, and provide safe, reliable power to customers.

- Troy will be able to draw upon the experience and resources of Blackstone Infrastructure and the broader Blackstone organization and can work with PNM's management team to enhance business operations in areas like procurement and information technology. Witness Sherman discusses these benefits in detail in his revised testimony.
- Troy is committing to a strong package of tangible and quantifiable benefits that provide (a) over $220 million of rate-related benefits, which is, on a total-dollar basis, approximately 10 times the rate credit amount in the most recent utility merger approved in New Mexico and more than 4.5 times the rate credit amount per customer approved in any recent utility merger in New Mexico, and (b) an $80 million community benefits package, which is more than 3 times the amount approved in any recent utility merger transaction in New Mexico. Witnesses Boyd and Monroy will detail these benefits in their revised testimonies.
- As discussed in Witness Boyd's revised testimony, we understand that utility service is of great local importance and commit that PNM and TXNM will be headquartered in New Mexico under Troy's ownership.

Q. What should stakeholders know about Blackstone Infrastructure?

A. Blackstone Infrastructure actively invests across the entire infrastructure landscape, including in energy transition, transportation, digital infrastructure, water and waste. We invest in and acquire companies with long-lived assets and have a track record of investing significant capital into our portfolio companies, both initially and as the companies need

more capital to grow (referred to as "follow-on" capital). Our long-term investment horizon and access to perpetual capital (meaning that there is no specific end-date for the fund or any fund investment, and that we have the flexibility to continue raising money and investing in businesses indefinitely, providing ongoing equity support) allows us to help PNM address its reliability and growth needs as well as the existing clean energy transition requirements for years to come without putting pressure on the utility to produce short-term results.

Blackstone Infrastructure is very familiar with investing in highly regulated, critical businesses that are relied upon by the public for essential services. We have made significant investments in public utilities, ports, and airports and understand the importance of working with, and being answerable to, governmental bodies responsible for regulating these businesses and to the communities these businesses serve. We look forward to continuing to work with the stakeholders and the Commission in New Mexico.

Finally, we seek out businesses with strong management and committed vision. We do not run the operations of the companies in which we invest; rather, we work with and empower the management group to help the business thrive. We think of this as a partnership, where we provide capital and business expertise (such as help with procurement and business operation components) for the companies that we acquire or invest in, and local management provides operational experience and local expertise. As further described in Witness Sherman's revised testimony, we do not charge a management fee to our portfolio

companies, and it is up to local management and the independent, disinterested and local board to choose if they would like to take advantage of the assistance we can provide.

Q. How will PNM's customers specifically benefit from the Acquisition?

A. As Witness Boyd and Witness Monroy explain in their revised testimonies, Troy is offering a robust and extensive set of quantifiable benefits, the cost of which will not be recovered from customers, including:

- $220 million in rate credits to be applied to customers' bills over a 10-year period following Closing, with $105 million in rate credits over the four-year period immediately following Closing and $115 million in rate credits over a six-year period immediately following the first four-year period. This rate credit is, on a total-dollar basis, approximately 10 times greater than the most recently approved New Mexico utility merger and 4.5 times greater than any recent rate credit approved in a New Mexico utility merger transaction to date, calculated on a per-customer basis. This rate credit is in addition to the $80 million community benefits package below, which is more than 3 times the amount approved in any recent utility merger transaction in New Mexico. A contribution of $15 million over 10 years to PNM's Good Neighbor Fund which primarily benefits low-income customers. These two efforts will be long-term commitments that will help ease the financial burden on families.

- A $25 million contribution over 10 years for utility infrastructure targeting utility-directed virtual power plant technology projects, subject to Commission approval of the program.

- A $40 million contribution in economic development funds—$25 million for workforce development to fund one or more of job training, apprenticeships, or scholarships in utility-related areas of industry, and $15 million to an economic development fund to promote economic development in New Mexico—over 10 years.

Additionally, as Witnesses Boyd and Monroy discuss in their revised testimonies, the Joint Applicants are committed to establishing a strong governance structure for PNM including the following characteristics:

- PNM will have a nine-member board ("PNM Board"), including the President and CEO of PNM, five disinterested board members, and at least one of the eight non-CEO board members will have experience as a former utility executive. The independence and experience of the proposed PNM Board will supplement and support PNM management, who will continue to manage the day-to-day operations of PNM.

- The PNM Board is entrusted with acting in PNM's best interests, overseeing decisions related to dividend policy, debt issuances, capital expenditures, and operational expenditures.

- A majority vote among the disinterested directors can restrict dividend distributions (excluding tax distributions) if determined in good faith to be required to meet agreed debt-to-equity ratios.

- Any changes to PNM's dividend policy will require a majority PNM Board vote, including approval from a majority of the disinterested directors.[3]

Q. What sets Blackstone Infrastructure apart from other investment firms?

A. What sets Blackstone Infrastructure apart from other investment firms is its focus on and experience with long-term infrastructure investments. We are here to partner with the companies in which we invest and support their growth for decades, without the pressure to provide short-term liquidity or returns.

As I mentioned above, one of the key attributes of the Blackstone Infrastructure Funds is that we are open-ended, perpetual funds, meaning that we have no obligation to sell our investments after a certain period of time and can continuously raise and invest money in our portfolio companies, providing ongoing equity support. This is particularly important in enabling us to support the capital-intensive needs of utility companies in areas like resource adequacy, demand growth, and maintenance or replacement of aging infrastructure. This stability allows companies we invest in to focus on their operations without worrying about short-term financial reporting pressures or exposure to the volatility of capital markets.

As further explained in the revised testimony of Witness Sherman, our team brings extensive experience in regulated utility investments and understands that PNM's customer

[3] As Witness Boyd testifies, TXNM and the PNM Board must have a common agreement on the approach.

rates and returns on investment are and will continue to be governed by the decisions of the Commission.

Most importantly, we understand that utility investments are a public-facing asset class, with significant public responsibility, and that PNM is a regulated entity subject to the jurisdiction of the Commission and has a responsibility to customers. That is why we prioritize building strong relationships with local stakeholders and communities and have taken proactive steps to engage stakeholders throughout the Acquisition process. We believe that open, ongoing dialogue with both regulators and stakeholders is crucial for the success of this kind of investment, and we bring this focus to all our regulated companies.

Q. Why is Blackstone Infrastructure's long-term investment focus important?

A. Blackstone Infrastructure's focus on long-term stability of ownership, steady growth, and value creation over time—as a contrast to the short-term nature of the expectations seen in public capital markets—will provide PNM's management with greater certainty for long-range planning.

Our long-term focus and ability to provide equity-based capital is demonstrated by the fact that Blackstone Infrastructure, as discussed by Witness Boyd, is committing through Troy that it will provide funding for PNM's five-year capital plan. This five-year commitment will fund energy transition, essential grid upgrades, and reliability enhancements. Facing roughly $4.9 billion in capital expenditures over the next several years, PNM needs the right support to transition to carbon-free energy, modernize infrastructure, strengthen the

grid against wildfire and climate-related risks, and meet increasing electricity demand. Blackstone Infrastructure's investment and deep access to capital can keep TXNM and PNM's balance sheets healthy and position PNM for long-term resilience. As Witness Tarry discusses in his testimony, PNM's need has only grown since August 2025 when the five-year capital budget was approximately $3.4 billion.

To be clear, while we are of course in the business of providing returns for our clients, Blackstone Infrastructure is mindful that utility investments must be necessary and prudent to serve customers; as a result, it is not in our financial interest to invest aggressively for the sake of higher returns. The need to be mindful of the impact on customers when investing capital is a key reason that we will rely on experienced local management to operate the utility post-Acquisition. Importantly, Blackstone Infrastructure is not asking for any change to existing regulations. We simply seek to invest further to support the growth of PNM within the existing regulatory structure.

My experience over the past two decades has shown me that many public market investors take a short-term approach to investing, moving in and out of investments frequently. At the first sign that management will miss anticipated earnings or that a large equity raise is necessary (thus increasing the number of outstanding shares on the market and often decreasing share value), public company investors are prone to selling and moving on. Another risk of being a publicly traded company is the potential to attract short-term activist shareholders whose sole concern is to push the company to increase profits immediately to allow the activist to sell at a profit. These situations can put pressure on

publicly traded companies who need significant additional capital infusions today, with the return occurring over many years. Our ownership model allows the company to invest and operate without these pressures.

Q. How are investments decisions made at Blackstone Infrastructure?

A. At Blackstone Infrastructure, material investment decisions are made by a dedicated investment committee. The investment committee's role is to ensure that Blackstone Infrastructure's management and commercial teams are thorough and careful when evaluating significant projects. The investment committee would not manage the regular quarterly or annual budgets of TXNM or PNM. Instead, they would consider significant new or follow-on investments from Blackstone Infrastructure when needed.

Our investment committee has developed a keen interest in the utility sector, and the Acquisition is the fifth utility investment the committee has approved. Our investment committee believes in the growth story of PNM, and the committee discussion of the Acquisition was one of the most engaging discussions we have had in a long time. Our investment committee also appreciates that, due to significant capital needs in the sector, utility investors must be prepared to invest follow-on equity to support sustained growth.

Our investment committee reviews investments when the need arises for $100 million or more of follow-on capital.[4] In this case, the investment committee supports the

[4] For follow-on investments under $100 million, approval authority may be delegated to a sub-committee composed of certain officers of Blackstone Infrastructure.

commitment to fund PNM's current 2026-2030 capital plan. The investment committee will make decisions regarding follow-on equity funding by Blackstone Infrastructure into TXNM. The use of those equity proceeds provided to PNM are determined by the PNM Board through the annual budget approval process. The benefit of being an open-ended investment fund that is continuously raising and investing equity without a requirement to sell an investment is that Blackstone Infrastructure can provide ongoing equity support to PNM without competition for capital.[5]

Q. Will Blackstone Infrastructure continue to support PNM with equity and access to capital into the future?

A. Yes. Follow-on capital investment is a regular practice for us. We have made around $16.4 billion in follow-on investments in our portfolio companies. From 2023 to 2025, about 53% of our total equity investments, or $8 billion, went into existing companies rather than new investments.

Blackstone Infrastructure understands that PNM has an obligation to its customers and the communities it serves to provide reliable electric utility service. We know that electricity is vital to people and businesses. We intend to support the projects PNM needs in the future to provide safe and reliable electric utility service to the customers and businesses it serves. Depriving PNM of capital necessary to provide service would not only be bad for PNM

[5] This discussion regarding the follow-on equity provided to TXNM and PNM is responsive to Paragraph E of the *Procedural Order Establishing Affirmatively Relevant Topics*, Docket No. 25-00060-UT (Jan. 15, 2026) ("How capital will be allocated among affiliated entities and how competition for capital within the corporate structure will be managed").

and its customers, it also would be a bad investment decision for us. We want PNM to thrive and continue to meet existing and future customer needs. We have every incentive to ensure PNM is well capitalized to provide safe and reliable service to customers in New Mexico.

Q. Please explain why you discuss holding investments in terms of a decade or more.

A. Blackstone Infrastructure's investing philosophy requires a long-term approach. We are clear about this, and this idea is attractive to investors who have long-term investment requirements that prioritize stability over aggressive growth. Our investors know when they partner with us that their money will be deployed for years, and there is no end date at which the entire investment will be returned. Because we are clear with both our investors and the companies we invest in, the expectation is that we will be able to provide capital for years to come. To date, our vision has been very attractive to our investors. We have grown to over $90 billion in assets under management in less than 10 years.

Q. How might Blackstone Infrastructure help improve business operations at PNM?

A. Witness Sherman will address this issue in greater detail. First, we believe that PNM is a well-managed company. However, at a high level, I can state that Blackstone Infrastructure's exposure to many companies can help broaden PNM's ability to learn of, and from, the best practices of other Blackstone Infrastructure portfolio companies.

We also help support the capture of efficiencies by offering to aggregate procurement and purchasing power, such as for software licensing, construction and fleet management

services, and long-lead equipment and materials. Blackstone receives no compensation for this support. Within our utility portfolio, we have identified potential opportunities within certain information technology spend and mobile communications spend categories that have led to meaningful cost savings. While we have not studied PNM's practices yet and cannot predict a precise amount of savings we may be able to help PNM achieve, we believe, based on our track record with other companies, that we will be able to offer valuable assistance to PNM. Being able to leverage our capabilities for the benefit of PNM customers is a unique benefit we bring to the table.

Furthermore, as discussed in Witness Sherman's revised testimony, Blackstone has retained a number of outside subject matter experts, including retired officers of large utilities with years of operational experience, that it can draw on for strategic advice. We often call on these experts to serve on boards of companies in which Blackstone Infrastructure invests. For example, Witnesses Boyd and Sherman are expected to serve on the PNM Board after the consummation of the Acquisition. Our partnership with PNM opens Blackstone's network of former CEOs and executives with knowledge and insight in areas critical for utility operation. On its own, PNM may not have access to the breadth of executive-level strategic advice that we can offer. Blackstone will not receive compensation for providing TXNM access to this type of informal advice from its senior advisor network.

Q. Do you believe Blackstone Infrastructure is a good partner for PNM?

A. Yes, I do. I have spent considerable time with the PNM management team and have gotten a chance to learn how they operate. I see the opportunity to create a constructive and strategic relationship with this team. We also have had the opportunity to be introduced to stakeholders and community leaders and have seen the passion and commitment they have for New Mexico.

Blackstone Infrastructure is excited to work with PNM and the people of New Mexico. We bring unmatched access to capital and a strong desire to support PNM's efforts to modernize its grid and complete the energy transition. Finally, we recognize the unique role PNM plays in New Mexico and plan to support PNM in continuing that role, not to change PNM or subsume it into a larger organization.

III. STATUTORY FACTORS UNDER RULE 450

Q. Are you familiar with the statutory factors that the Commission is required to consider in evaluating the Proposed Transaction?

A. Yes. Although I am not an attorney and do not intend to offer legal opinions in this testimony, I am generally aware that there are certain standards determining whether to approve a proposed merger transaction. I also understand that the Commission requires certain representations and commitments under its Rule 17.6.450 NMAC ("Rule 450").

Q. Are you able to affirm that Troy has provided the commitments required under Rule 450 for approval of this Acquisition?

A. Yes. In addition to showing that a Class II Transaction will have no material adverse impact on a utility's service and rates, the utility must provide all the information required by Rule 450, which the Joint Applicants have done. The information enumerated in Rule 450 is provided in PNM's Revised 2026 GDP and supported in my Revised Testimony and the revised testimonies of Witnesses Tarry and Monroy.

Q. Are you familiar with the representations that the Joint Applicants are making in the Revised 2026 GDP filed with the Revised Application?

A. Yes. The Revised 2026 GDP (Revised Application Exhibit F) contains the following representations of PNM, TXNM, and Troy:

(1) the books and records of PNM will be kept separate from those of any nonregulated business and in accordance with the Uniform System of Accounts;

(2) the Commission and its staff will have access to the books, records, accounts, or documents of the affiliate, corporate subsidiary, or holding company pursuant to NMSA 1978, Sections 62-6-17 and 62-6-19;

(3) the supervision and regulation of PNM pursuant to the Public Utility Act will not be obstructed, hindered, diminished, impaired, or unduly complicated;

(4) PNM will not pay excessive dividends to its holding companies, and the holding companies will not take any action which will have an adverse and material effect on PNM's ability to provide reasonable and proper service at fair, just, and reasonable rates;

(5) PNM will not, without prior approval of the Commission:

a. loan its funds or securities or transfer similar assets to any affiliated interest;

b. purchase debt instruments of any affiliated interests, or guarantee or assume liabilities of such affiliated interests; or

c. pledge the assets of PNM to pay or guarantee the debt of any affiliate;

(6) PNM has complied, and will comply, with all applicable federal or state statutes, rules, or regulations;

(7) when required by the Commission, PNM will have an allocation study (which will not be charged to ratepayers) performed by a consulting firm chosen by and under the direction of the Commission; and

(8) when required by the Commission, PNM will have a management audit (which will not be charged to ratepayers) performed by a consulting firm chosen by and under the direction of the Commission to determine whether there are any adverse effects of Class II Transactions upon PNM.

Additionally, if the Acquisition is approved, I personally affirm the above representations made in the Revised 2026 GDP on behalf of Troy and Blackstone Infrastructure.

IV. SUMMARY AND CONCLUSION

Q. In your opinion does the Acquisition provide net benefits and satisfy the statutory test for approval?

A. Yes. The evidence submitted in support of the Revised Application in this case demonstrates that the Acquisition will have no material adverse impact on a utility's service

and rates, will not materially or adversely affect the utility's ability to provide reasonable and proper utility service at fair, just and reasonable rates, and results in net benefits to the customers of PNM.

Q. Please summarize your Revised Testimony.

A. Blackstone Infrastructure has a proven track record of acquiring companies with long-lived assets and services and investing significant capital into those companies, both initially and in follow-on capital. Our long-term investment horizon, access to perpetual capital and ability to continue investing in businesses indefinitely makes us the ideal partner to help PNM meet its reliability and growth needs for years to come without putting pressure on the utility to produce short-term results. Understanding that utility service is of great importance to the local community, we look forward to continuing to work with and support PNM's strong management team now and in the future.

Q. Does this conclude your Revised Testimony?

A. Yes.

GCG#535783

Résumé of Sean Klimczak

JA Revised Exhibit SK-1

Is contained in the following 1 page.

SEAN T. KLIMCZAK

experience

2005-Present **BLACKSTONE** **NEW YORK, NY**

Senior Managing Director, Global Head of Infrastructure

Founded and oversees Blackstone's global Infrastructure franchise, serving on its various Investment Committees. Involved in the execution of numerous Blackstone Infrastructure investments, including AGS Airports, AirTrunk, Applegreen, Autostrade per l'Italia (ASPI), Carrix, Cheniere Energy Partners, Digital Realty JV, Eurowind Energy, FirstEnergy, Hotwire Communications, Invenergy Renewables, Mundys, NIPSCO, NextEra Renewables JV, Phoenix Tower International, PPL Generation JV, QTS, Safe Harbor Marinas, Signature Aviation, Tallgrass Energy, and Urbaser. Serves as President and as a member of the Board of The Blackstone Charitable Foundation. Serves as a member of the Board of Trustees of Saint David's School and as a member of the University of Notre Dame Mendoza College of Business Advisory Council. Named a World Economic Forum Young Global Leader in 2015.

Select Transaction Experience (Prior to Blackstone Infrastructure)

- ***Fisterra Energy.*** Independent power development company founded in partnership with Blackstone that focuses its investments on the energy transition and sustainability sectors (2013, 2017)
- ***Lightstone Generation.*** US independent power development company (2017)
- ***GridLiance.*** The nation's first competitive transmission company focused on collaborating with Public Power utilities to develop, own and operate transmission assets with Public Power and provide its Public Power partners with opportunities to invest in regulated transmission development projects and receive other benefits, including lower energy and delivery costs and increased reliability for their customers, while providing greater access to renewable energy sources (2016)
- ***Onyx.*** Independent renewable project development company that established by funds managed by Blackstone that is focused on greenfield development in the North American solar and wind sectors (2015)
- ***Custom Truck One Source.*** Leading supplier of trucks and custom equipment to utility, rail, telecom, infrastructure, forestry services and other specialty equipment operators. (2015)
- ***Lonestar Generation.*** Independent power development company that owns and manages power generation assets across the US (2014)
- ***Cheniere.*** Largest U.S. liquefied natural gas (LNG) exporter based in Sabine Pass, Louisiana (2012)
- ***Meerwind.*** 288 MW offshore wind farm located in the German Bight in the North Sea. One of the first commercial offshore wind farm projects in operation in Germany. (2011)
- ***Sithe Global Power.*** Independent power development company with development projects across North America, Mexico, Africa and the Middle East (2011, 2017)

2001-2003 **MADISON DEARBORN PARTNERS** **CHICAGO, IL**

Private Equity Associate, Basic Industries Group

Evaluated, negotiated and managed leveraged buyout investments for MDP's $4.0Bn private equity fund. Participated in all aspects of the investment process. Worked with portfolio company management teams to address strategic and operational issues.

2007-2010 **MORGAN STANLEY** **CHICAGO, IL**

Senior Financial Analyst, Mergers, Acquisitions and Restructurings Department

Analyzed and executed mergers, acquisitions, divestitures and restructurings for domestic and international clients across numerous industries. Rated in Morgan Stanley's highest performance class for every evaluation period.

education

2003 - 2005 **HARVARD BUSINESS SCHOOL** **BOSTON, MA**

Master in Business Administration degree, June 2005. Graduated with the highest academic standing in his class and was selected as a Baker Scholar, a John L. Loeb Fellow, a Henry Ford II Scholar and a William J. Carey Scholar for demonstrated leadership and values.

1994 - 1998 **UNIVERSITY OF NOTRE DAME** **NOTRE DAME, IN**

Bachelor of Business Administration degree, *summa cum laude,* in Finance and Business Economics. GPA: 3.9/4.0. Dean's Honor List all semesters. Elected to Beta Gamma Sigma National Honor Society. Received University of Notre Dame Scholar designation for academic achievement. Personally financed 100% of education.

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE JOINT APPLICATION OF PUBLIC SERVICE COMPANY OF NEW MEXICO, TXNM ENERGY, INC. AND TROY PARENTCO LLC FOR APPROVAL OF AN ACQUISITION AND MERGER OF TROY MERGER SUB INC. WITH TXNM ENERGY, INC.; APPROVAL OF A GENERAL DIVERSIFICATION PLAN; AND ALL OTHER AUTHORIZATIONS AND APPROVALS REQUIRED TO CONSUMMATE AND IMPLEMENT THIS TRANSACTION	)	
	)	**Case No. 25-00060-UT**
PUBLIC SERVICE COMPANY OF NEW MEXICO, TXNM ENERGY, INC. AND TROY PARENTCO LLC,	)	
JOINT APPLICANTS.	)	

SELF AFFIRMATION

In accordance with 1.2.2.35(A)(3) NMAC and Rule 1-011(B) NMRA, **SEAN KLIMCZAK, Global Head of Infrastructure and Senior Managing Director of Blackstone Inc.,** upon penalty of perjury under the laws of the State of New Mexico, affirms and states: I have read the foregoing **Revised Testimony and Exhibit of Sean Klimczak In Support of the Revised Application** and it is true and correct based on my personal knowledge and belief.

DATED this 15th day of September, 2026.

/s/ *Sean Klimczak*
SEAN KLIMCZAK

GCG #534055