BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF NEW MEXICO FOR REVISION OF ITS RETAIL ELECTRIC RATES PURSUANT TO ADVICE NOTICE NO. 667	)	**Docket No. 26-0000XXX**
PUBLIC SERVICE COMPANY OF NEW MEXICO,	)	
Applicant.	)	

DIRECT TESTIMONY

OF

DR. TOBE C. PHELPS

November 24, 2026

NMPRC DOCKET NO. 26-0000XXX
INDEX TO THE DIRECT TESTIMONY OF DR. TOBE C. PHELPS
WITNESS FOR
PUBLIC SERVICE COMPANY OF NEW MEXICO

I. INTRODUCTION AND PURPOSE 1

II. COMPANY CAPITAL PROJECT GOVERNANCE 4

III. OVERVIEW OF SHARED SERVICES CAPITAL INVESTMENTS 20

IV. OVERVIEW OF SHARED SERVICES INCREMENTAL OPERATING EXPENDITURES 36

V. CONCLUSION 40

SUPPORTING EXHIBITS

PNM Exhibit TCP-1	Statement of Qualifications
PNM Exhibit TCP-2	Shared Services Projects

Affirmation

DIRECT TESTIMONY OF
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I. INTRODUCTION AND PURPOSE

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

A. My name is Dr. Tobe C. Phelps. I am the Associate Director of the Information Technology Program Management Office (IT PMO) for PNMR Services Company ("Shared Services"), a wholly owned subsidiary of TXNM Energy, Inc. ("TXNM"). Shared Services provides corporate services to TXNM and to TXNM's subsidiaries, including Public Service Company of New Mexico ("PNM" or "Company"). My business address is 2401 Aztec Rd. NE, Albuquerque, New Mexico 87107. I am testifying on behalf of PNM.

Q. Have you previously testified before the New Mexico Public Regulation Commission ("Commission" or "NMPRC")?

A. PNM Exhibit TCP-1 describes my position and background. That exhibit also lists the cases in which I have provided testimony before the NMPRC.

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

A. My testimony describes the Company's overall capital project governance process. It supports the Company's request for $195.4 million of Shared Services capital investments covering July 1, 2026, through the end of the Test Period, September 30, 2028. That span is the Capital Investment Period.[1] I also provide an overview

[1] The "Capital Investment Period" includes the linkage period which extends from July 1, 2026, through September 30, 2027, and the Test Period beginning October 1, 2027, through September 30, 2028.

of the incremental operation and maintenance ("O&M") expenditures, including new Full-Time Equivalent ("FTE") positions and operating expenses for outside services and employee expenses. These expenses continue to strengthen PNM's physical and cyber security capabilities and include significant investment in Frontier AI Readiness to protect our grid from emerging and existing threats. The expenditures also support the current and future telecommunications topology, the operational technology and compliance footprint, and a major Customer Information System (CIS) upgrade. These services, and the others described below, must expand and refresh continually to support the Company's transmission, distribution, and generation operations.

Q. How does your direct testimony relate to the testimony presented by other Company witnesses?

A. My testimony on the capital project governance process supports the testimony of the following witnesses:

1. PNM witness Jesus Flores-Olivas, who addresses PNM's Transmission & Distribution ("T&D") capital investments.
2. PNM witness Andrea Sanchez, who addresses PNM's New Service Delivery capital investments.
3. PNM witness Wesley W. Gray, who addresses PNM's generation capital investments plus additional Transmission and Distribution capital investments.

Q. What are your key conclusions?

A. I conclude that:

1. The Shared Services capital investments of $195.4 million during the Capital Investment Period are required and reasonable. These are also referred to as technology and general services capital investments. They enhance PNM's facilities, equipment, tools, vehicles, computer systems, and technology that give the Company the additional business capabilities it needs to keep serving customers efficiently. Only Shared Services capital investments that benefit and serve New Mexico's retail customers are included in the requested revenue requirements. As discussed by PNM witness Reina N. Gutierrez, projects that benefit multiple TXNM subsidiaries are allocated so the correct costs and depreciation are assigned to the correct subsidiary.
2. Company processes govern how projects are identified, estimated, budgeted, prioritized, selected, and traded off. These processes are the Company's capital project governance. They ensure the Company funds only the capital investments that meet its goals of safe and reliable service for customers.
3. The Test Period O&M expenditures for the Company technology and general services are reasonable. They reflect the costs necessary to provide safe and reliable electric service.

II. COMPANY CAPITAL PROJECT GOVERNANCE

Q. At a high level, describe the overall Company capital project governance process.

A. The Company uses governance committees to facilitate its capital project governance. The process begins by identifying the Company's needs and the corresponding necessary capital investments. PNM establishes estimates for those investments ahead of the budget cycle and refines them during the reforecast process. Based on available capital funds, we prioritize the investments and present them to the appropriate governing committees. A selected project goes into the Company capital budget. New project opportunities surface throughout the year, and the appropriate committee considers budgeting them through a project "trade-off" process. Each quarter the Company updates capital investment costs and adds or removes projects through the reforecast process. Before capital dollars can be spent on a project, it must be approved through the Company Capital Development Approval Process ("CDAP") as outlined in PNM Policy 226-Capitalization. Every project is then monitored across its life for adherence to scope, schedule, and budget.

Q. Are there any capital investment processes that are different from what is described in your testimony?

A. Yes. See the testimony of PNM witness Gray, who describes the capital budget process for generation investments for "jointly owned" generation facilities where

PNM is a part owner. These facilities include the Palo Verde Nuclear Generating Station ("Palo Verde") and the Four Corners Power Plant ("Four Corners"), where PNM is a participant-owner but does not operate the plants, and the Luna Energy Center ("Luna"), where PNM is both a participant-owner and the operator.

Also see the testimony of PNM witness Flores-Olivas who describes the roles of the North American Electric Reliability Corporation ("NERC"), the Federal Energy Regulatory Commission ("FERC"), and the Western Electricity Coordinating Council in developing capital budgets for transmission system expansion.

Q. What are the governance committees responsible for the oversight of Company capital investments?

A. Five committees govern Company capital investments. These are the Resource Council ("RC") and four Capital Allocation Teams ("CATs").

1. For all Company capital investments, the RC:
   - consists of the President and Chief Executive Officer and the Senior Vice President and Chief Financial Officer; and
   - reviews summarized capital investment requests against targets, reviews investment priorities, and approves any adjustments needed over the five-year planning period. PNM witness Gutierrez discusses this in more detail in her testimony.
2. The four CATs are as follows:

- eCAT – Governs Transmission and Distribution capital projects.
- gCAT – Governs Generation capital projects.
- fCAT – Governs General Services and facilities projects.
- iCAT – Controls technology capital projects.

3. For T&D investments, generation, customer service, technology and general services, the appropriate CAT has oversight. Each CAT:
   - consists of voting members who are vice presidents or directors responsible for reviewing and approving capital business cases; and
   - manages the capital portfolio of funds through review, prioritizing, trade-off, and approval to spend capital funds; and
   - reviews and monitors overall portfolio year-to-date expenditures for spend and clearings and construction work in progress, per Sarbanes-Oxley Act requirements; and
   - ensures facility project solutions meet required ordinances such as zoning, building code compliance, and the Americans with Disabilities Act; and
   - approves construction projects to move from one phase gate to another in accordance with PNM Policy 228-Capital Construction Project Management.

Q. Are there industry terms that you use in describing PNM's capital investments?

A. Yes. I refer variously to "projects", "programs", and "portfolios", which are industry terms. The Project Management Institute ("PMI") was established in 1969 and is the world's largest non-profit professional membership association for the project management profession. PMI has developed globally recognized standards[2] for project management and defines these terms as follows:

- Projects are temporary. They have a defined beginning and end, and therefore a defined scope and known resource requirements. A project is also unique. It is not a routine operation, but a specific set of operations designed to accomplish a particular goal.
- Programs are a group of related projects managed in a coordinated way to obtain benefits and control not available from managing the projects individually.
- Portfolios are a collection of programs and projects for an organization or line of business, created to meet the company's strategic business goals.

Q. How are proposed Company capital investments identified?

A. The Company identifies capital investments in two ways. The first is the Annual Operating Plan ("AOP") cycle. The second is "unplanned investments," which can occur throughout the year.

[2] https://certificationacademy.com/resources/glossary/pmi-terms-definitions/.

1. Each year, the AOP cycle reviews the investments on the current five-year budget portfolio to determine whether they should remain on it. We also ask the business units to submit investments that align with their business strategy plan.
2. "Unplanned Investments" are new projects proposed on a newly discovered need or opportunity outside the AOP process. We document and justify these projects, then prioritize them against the rest of the capital portfolio.

Q. How are project estimates established?

A. PNM collects data from a variety of sources to develop cost estimates, depending on the type and complexity of the project. Sources include current vendor quotes, research from outside organizations, input from Subject Matter Experts ("SMEs"), historical project costs from similar projects, outcomes from site or project studies, industry trends and information, market value analysis to determine land costs, and cost estimate classification defined by the Association for the Advancement of Cost Engineering International[3]. That data establishes a base project scope, schedule, and budget.

On PNM construction projects, PNM often contacts vendors directly for costs and lead times on specialty equipment we do not routinely purchase. PNM may also meet with other utilities running similar installations and gather information

[3] https://web.aacei.org/docs/default-source/toc/toc_18r-97.pdf .

through industry groups such as The Institute of Electrical and Electronics Engineers.

Q. How are project estimates updated?

A. As a project progresses, PNM refines the project scope, schedule, and budget. Those refinements are based on the percentage of design completed and on formal, competitive bids received from requests for proposals ("RFPs") for parts of the project such as engineering, equipment procurement, and construction. Actual project costs and clearings are tracked monthly against the AOP budget, then re-forecasted each fiscal quarter to adjust project costs, schedules, and clearing dates. PNM's Corporate Budget and each line of business (Generation, New Service Delivery, and T&D) update the re-forecasted costs and clearings in the respective budget system. I describe the Company capital reforecast process in more detail later in my testimony.

Q. How are project capital investments prioritized?

A. The Company prioritizes its capital investments, so the most critical projects are funded first within available funds. Prioritization considers the customer experience, the age of the asset and its potential failure rate, new Company standards, compliance issues, and other pertinent characteristics. Technology investments carry a formal justification and established rating criteria, scored through a portfolio management computer system. PNM T&D, generation and general services investments have implemented a process that produces prioritized

lists systematically from the criteria collected. Please refer to PNM witness Flores-Olivas for details around the Copperleaf program and capital planning. A list of capital projects is compiled for each business unit and consolidated with projects from other business units. A final capital investment plan goes to the RC for consideration and approval.

Q. How are Company capital investments budgeted?

A. Capital investment targets are set annually, as described by PNM witness Gutierrez. Every investment need is identified. Each CAT rationalizes and prioritizes those investments to decide whether they belong in the five-year portfolio as individual projects or within a larger program. Once the CAT agrees the investment belongs, funding numbers are created for the new investments and a high-level schedule and cash flow are updated for each project in the system of record. A final capital investment plan goes to the RC for consideration and approval.

Q. What are some of the FERC cost types used during the budgeting process?

A. The FERC cost types used in PNM budgeting are addressed in the testimony of PNM witness Gutierrez, specifically PNM Exhibit RNG-5. Common cost types used to budget the capital investments include:

- 110 and 120 Internal Labor: All labor performed by Shared Services or PNM employees from planning through asset commissioning. During estimating, we assume who will perform the work, internal or external

labor. As the project draws closer, we review and revise that assumption against current staff availability.

- 350 Materials and Equipment: All major materials and equipment typically purchased. Examples include construction materials and equipment, building materials, furniture, hardware, and software.
- 370 Outside Services, 374 Legal, 377 Temporary Labor: All professional services contracted to aid implementation of the asset, and any legal expense for executing vendor contracts. Examples include appraisals, engineering, materials testing and procurement, construction and construction monitoring, computer architecture and development, and system implementation.
- 610 Expenses – General: All general expenses covering supplies, fees, incremental expenses, training, and employee expenses such as travel, meals, and lodging related to the project.

Q. What is the "trade-off" process for unplanned or emergent work?

A. A "trade-off" occurs when one project is postponed or canceled, or its expense or scope is reduced, and the capital dollars shift to one or more other projects. This can occur across the overall portfolio or within a specific program. Within a program, projects can be traded off without exceeding the program budget. Business priorities and resource availability change during the year, which can require the Company to redirect labor and capital toward other emergent projects.

PNM has a process for managing these changes or "trade-offs" for unplanned emergent projects. It funds necessary but unbudgeted capital expenditures without exceeding the approved capital target for the year. The process requires documentation of the need for the new expenditure, identification of a budgeted project expenditure that will be reduced to accommodate it, and proper approvals. Some projects are delayed and others accelerated, but the total capital invested during the budget period should not change.

Q. Briefly describe the Company capital reforecast process.

A. PNM continuously monitors and updates its capital plans. The capital budget gets a formal update each calendar quarter, known as the Company capital reforecast process. Factors outside PNM's control may require updates to the capital project list during the year. These include equipment delivery or construction work delays, unforeseen scope changes, and emergent projects caused by storm damage, regulatory compliance, and other factors. The Company must respond to these changes as necessary.

Many capital projects are long-term, so updates made during the quarterly reforecast often affect several years of budgeted spending and clearings. An unexpected "must do" project may need funding, which can push an existing or planned project to a later year. Funds released by a canceled project can be used by

pulling projects forward from later years or by funding a project that had not previously been allocated funds.

Q. Is flexibility sometimes required with respect to the implementation of projects?

A. Yes, it is. The Company strives to meet its forecasted in-service dates, but flexibility in which specific projects get completed is necessary to manage unforeseen events and unbudgeted expenses that arise during the year. Examples include national supply chain issues for commodities, materials, equipment, and services. An equipment failure can divert engineering and project management staff from ongoing projects and require unbudgeted expenditures to keep the supply of power to customers from being jeopardized. Technology changes rapidly in this industry. Reliance on software and hardware vendor products, compatibility with other systems, and cybersecurity issues can alter a project's design mid-stream. Projects and their associated expenditures therefore cannot always be completed in the time frame originally forecasted.

Q. How does the Company evaluate project alternatives?

A. The process the Company uses to evaluate alternative solutions differs between technology, general services, T&D, and generation projects as follows:

- Technology projects follow the formal project management methodology from the PMI. During the planning stage, the Company uses documented

business requirements to decide whether to upgrade an existing technology solution, replace it with a new product, or add a new system to the application portfolio to support the new capabilities needed. Generally, we draft an RFP and send it to potential vendors. The RFP review team, made up of business and technical SMEs, evaluates alternative product solutions and system integrators. Vendor responses are reviewed and scored, product demonstrations are conducted, market terms and conditions are negotiated, and the team makes the final decision on the technology solution and system integrator to pursue.

- For general services projects, we often issue an RFP for product solutions and for contractors to perform the work. Alternative solutions are evaluated on cost, complexity, resource availability, compliance, and time. Where an RFP is not required, the Company may award the project to an existing vendor or purchase products from suppliers under a current contract. Both internal and external SMEs take part in the decision.
- For T&D and generation projects, the process starts by evaluating the feasibility of the planning alternatives against any known permitting or environmental restrictions. Those results determine the project's viability. The evaluation balances project schedules and budgets against permitting and equipment procurement lead times, input from the public and tribal governments, compliance requirements, expansion needed to accommodate customer growth, and aging infrastructure.

Q. Do projects require additional approval to start spending capital dollars?

A. Yes. Before a capital project starts, project managers must present the project business case to the appropriate CAT and submit the CDAP, following PNM Policy-226 Capitalization. By this stage, the project scope is solidified, estimated costs are updated, and a project schedule is presented. Once the CAT approves the project, the CDAP is routed for formal approval through the Capital Approval Process ("CAP"). Project managers must submit formal documentation on a CAP form before capital funds are released. That form carries project-specific information: a description and justification of the project, background, performance analysis, risk analysis, analysis of potential alternatives, and a final recommendation.

Q. Please describe the process the Company uses to monitor expenditures under its capital budget and minimize costs to customers.

A. PNM actively manages its capital projects so that they are completed at the lowest reasonable cost and within the authorized budget. Each month, every CAT reviews project status, monthly and year-to-date spending and clearings against budgeted projections with variances and explanations, and the capital balance still to be authorized in the yearly portfolio. The CAT also reviews any construction project entering a new phase, such as planning to design or design to construction and commissioning.

Q. Are there any project monitoring processes that are different from what is described in your testimony?

A. Yes. See the Direct Testimony of PNM witness Gray regarding the monitoring process used for Four Corners and Palo Verde as jointly owned facilities.

Q. Please explain the value-driver categories that are used to categorize the capital investments in the capital budget documentation.

A. Below, I define the seven value drivers:

- Customer Delivery: Investments supporting residential and business customer interconnections for new or upgraded services, economic development, technology to enhance the customer experience, system expansion in the PNM service territories, and streetlight upgrades.
- Energy Transition: Investments supporting PNM's transition to clean energy by enabling renewable energy production through growth in interconnections between renewable resources and PNM's grid. Examples include solar technologies, batteries, and improved capacity for integration of distributed energy resources.
- Reliability & Resiliency: Investments for bulk electric system reliability improvements, or system reliability improvements for transmission, distribution, and substations, including improvements to system performance such as voltage optimization and power quality. Examples include improvements to distribution feeders to improve capacity,

operability, or System Average Interruption Duration Index ("SAIDI") or System Average Interruption Frequency Index ("SAIFI"). Transmission and substation improvements ensure the system meets minimum performance requirements.

- Compliance: Investments designed to ensure compliance with specific legal or regulatory requirements such as NERC/FERC, or to achieve environmental benefits such as reductions in emissions or water usage, chemical containment, or improvement of the natural environment.
- Safety & Security: Investments to mitigate existing safety risks or to enhance safety at a facility. This covers crisis management, wildfire mitigation, vegetation management, and mitigation of both physical and cyber security risks. Examples include investments to mitigate or avoid employee and public safety incidents, damage to company or public property, and physical or cyber breaches.
- General Services: Investments for enhancing and expanding facilities, equipment, vehicles, and tools. These investments often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues, and maintain building assets and acceptable operating conditions.
- Technology Advancements: Investments for upgrading and building new business capabilities for corporate systems and utility grid operations. Examples include connecting utility assets and systems so information can be transmitted between sites (telecommunications), and implementing new

software, hardware, and field devices to provide new business capabilities or monitor the health of grid assets.

Every Shared Services capital investment is categorized under one of these value drivers and is described in full later in my testimony. Some projects answer more than one value driver, but each is classified by its primary value driver.

Q. Are there other external forces that are shaping how the Company is prioritizing projects and overall technology spend?

A. Yes. Frontier AI models have changed how we work, and more importantly, how we secure our internal technology assets. We are seeing the impact on both the capital and O&M budgets, and a significant change in overall prioritization.

Q. What is Frontier AI and why is it having such a significant impact?

A. In April 2026, Anthropic announced a new Large Language Model called Claude Mythos Preview (Mythos). Mythos is a general-purpose model, but its coding ability makes it exceptionally effective at vulnerability detection.[4] Mythos found vulnerabilities at a rate no prior model came close to in previous years. On one exploit-development test, it produced 181 working exploits where its predecessor, Claude Opus 4.6, produced two.[5] In its first weeks of use it found more than ten

[4] Anthropic, Project Glasswing (Apr. 7, 2026), https://www.anthropic.com/glasswing; Nicholas Carlini et al., Anthropic Frontier Red Team, Assessing Claude Mythos Preview's Cybersecurity Capabilities (Apr. 7, 2026), https://www.anthropic.com/research/mythos-preview.
[5] Carlini et al., supra.

thousand high- or critical-severity vulnerabilities that were never known,[6] some in code that had been in general use since the 90s and had been reviewed and tested for decades, including a 27-year-old flaw in OpenBSD, an operating system known for its security.[7] The model finds vulnerabilities and builds working exploits without human intervention after an initial prompt, and it can conduct autonomous end-to-end cyberattacks on small enterprise networks with weak security.[8] In Anthropic's own testing, an early version escaped a secured test environment, contacted the researcher, and then, without being asked, published details of its exploit on public websites.[9] Anthropic described this as a watershed moment for security, and the UK AI Security Institute found Mythos was the first model to complete both of its simulated network-attack ranges.[10]

Mythos is now one of a handful of what are being called Frontier AI models; the UK AI Security Institute found OpenAI's GPT-5.5 comparable to Mythos on expert-level cyber tasks.[11] Each is a step change in capability over the previous generation, and each raises the risk to every company that relies on IT systems. The technology is not all bad. Models like Mythos identify vulnerabilities early and give

[6] Anthropic, Project Glasswing: An Initial Update (May 22, 2026), https://www.anthropic.com/research/glasswing-initial-update.
[7] Carlini et al., supra.
[8] Id.; Anthropic, System Card: Claude Mythos Preview 53 (Apr. 7, 2026), https://anthropic.com/claude-mythos-preview-system-card.
[9] Anthropic, System Card: Claude Mythos Preview, supra, at 54-55.
[10] Carlini et al., supra; Anthropic, Project Glasswing: An Initial Update, supra.
[11] UK AI Security Institute, Our Evaluation of OpenAI's GPT-5.5 Cyber Capabilities (2026), https://www.aisi.gov.uk.

the industry a head start on patching and securing infrastructure.[12] In the hands of bad actors or nation-states, the same models are a serious risk to the power grid. Anthropic itself has warned that the fallout for economies, public safety, and national security could be severe,[13] and in August 2026, five federal agencies, including the Department of Energy, warned of AI-generated attacks on industrial control systems in the energy sector.[14] Our major technology vendors have changed their product direction to address these vulnerabilities and to provide tools that reduce the risk of cyber-based attacks. Safety and security have always been a core value driver. Frontier AI readiness now has an increased and distinct role in our security posture and requires its own conversation.

III. OVERVIEW OF SHARED SERVICES CAPITAL INVESTMENTS

Q. What topics do you address in this section of your direct testimony?

A. In this section, I address the Company's more significant capital investments for technology and facilities during the Capital Investment Period and summarize the justification for them. Specifically, I address the technology and general services blankets and the other technology or general services programs and projects that support T&D, generation, and customer service. PNM Exhibit TCP-2 summarizes the included projects.

[12] Anthropic, Project Glasswing, supra.
[13] Id.
[14] NSA, CISA, FBI, DOE & EPA, Joint Cybersecurity Advisory AA26-231A (Aug. 2026), https://www.cisa.gov/news-events/cybersecurity-advisories/aa26-231a.

Q. What is the total technology and general services capital investment through the Capital Investment Period?

A. The capital project clearings in PNM Table TCP-1 below represent the technology and general services capital budgets. The listed programs and projects include only clearings projected to occur between July 1, 2026, and September 30, 2028, which is the Capital Investment Period. The subcategory column shows which investments are technology-focused and which are general services-focused. Technology subcategories identified by "Tech", represent 85.91% of the total capital investment. General Services subcategories identified by "GS", represent 14.09%.

PNM Table TCP-1
Capital Project Clearings

Shared Services Capital Project Clearings, 7/26-9/28								
By primary value driver (rows) and subcategory (columns)								
Primary Value Driver	**Technology (Tech)**			**General Services (GS)**			**Grand Total**	**Percent of Total**
	Blankets	**Comms/ Telecom**	**Software/ Hardware**	**Blankets**	**Facilities**	**Tools/ Equip/ Vehicles**		
Customer Delivery	-	-	5,624,030	-	-	-	5,624,030	2.88%
Reliability & Resiliency	8,211,967	1,032,895	47,327,258	-	499,699	633,797	57,705,616	29.52%
Compliance	1,976,949	-	2,838,606	-	-	-	4,815,555	2.46%
Safety & Security	3,887,456	-	22,830,665	-	-	-	26,718,121	13.67%
General Services	-	-	2,612,193	9,302,498	13,653,378	3,444,017	29,012,086	14.84%
Technology Advancements	-	1,595,598	69,981,468	-	-	-	71,577,066	36.62%
Grand Total	**14,076,371**	**2,628,492**	**151,214,220**	**9,302,498**	**14,153,077**	**4,077,814**	**195,452,473**	**100.00%**
Percentage of Total	**7.20%**	**1.34%**	**77.37%**	**4.76%**	**7.24%**	**2.09%**	**100.00%**	

Q. Please describe what is meant by "blanket" capital investment for technology and general services.

A. Referring to PNM Table TCP-1 above, there are two subcategories for blanket capital investments. The first is "Tech-Blankets-Technology", also known as Computer Platform Refresh ("CPR"). These cover materials and labor for design and installation of aging infrastructure that must be replaced regularly to maintain the reliability of the computer systems and telecommunications network. Technology blankets represent 7.20% of the total capital investment during the Capital Investment Period. These investments keep aging technology infrastructure current and maintain the reliability of the network and technology the Company uses. Each technology blanket is generally open for 12 months each calendar year to accommodate that year's equipment purchases and installation. Technology blanket investments are assigned to their applicable primary value driver, including Reliability & Resiliency, Compliance, or Safety & Security. General Services blankets are assigned to the General Services value driver.

The second is "GS-Blankets-General Services," covering materials and labor for design and installation to upgrade aging facilities and equipment that must be replaced regularly to maintain reliability or to meet federal guidelines. General services blankets represent 4.76% of the total capital investment during the Capital Investment Period. They are categorized within the general services and technology advancements value drivers.

Q. Within the Customer Delivery value driver, please describe the technology and general services projects and programs.

A. Customer delivery is the Company's ability to enhance the customer's experience using sophisticated information and operations technology software and infrastructure. Many of the Company's automated generation, transmission, and distribution systems depend on effective and reliable monitoring and control capabilities. Seven planned programs and projects sit within the customer delivery value driver, totaling $5.6 million, representing 2.88% of the technology and general services investments. PNM Table TCP-2 lists these programs and projects. They include enhancing the customer experience, improving the core customer information system application, and large generation interconnections to provide more self-service and enhanced service options.

PNM Table TCP-2
Customer Delivery

Shared Services | Customer Delivery			
7 project(s), ordered by Project #			
Project #	**Project Name**	**Subcategory**	**7/26-9/28 Clearings**
09128026	Customer Experience Program 2026	Tech-Software/Hardware	$709,228
09128027	Customer Experience Program 2027	Tech-Software/Hardware	$102,109
09128127	Liferay & PNM.com Platform Upg 2027	Tech-Software/Hardware	$1,069,486
09128326	Customer Comm CANSPAM Pref 2026	Tech-Software/Hardware	$37,126
09128327	New Customer Comm Platform 2027	Tech-Software/Hardware	$1,999,248
09128725	NICE InContact Program	Tech-Software/Hardware	$1,557,408
95128127	ColdFusion Upg 2027	Tech-Software/Hardware	$149,425
Grand Total			**$5,624,030**

Q. Within the Reliability & Resiliency value driver, please describe the technology and general services projects and programs.

A. Reliability and resiliency are the Company's ability to deliver power to customers. That ability depends on sophisticated information and operations technology infrastructure that must be maintained, upgraded, and enhanced regularly. PNM's customers and stakeholders expect the Company to measure and report accurate reliability information efficiently. There are 39 planned programs and projects within this value driver, totaling $57.7 million, representing 29.52% of the technology and general services investments. Refer to PNM Table TCP-3 for summary descriptions and cost estimates. Examples include implementing systems for PNM to participate in the California Independent System Operator ("CAISO") Extended Day Ahead Market ("EDAM"), and implementing Energy Trading and Risk Management (ETRM) Data Services.

There are three projects below (Texas Internet Egress via BGP 2027, Lewisville Network Refresh 2027, and Lewisville Load Balancer F5 2027) with names related to Texas and Texas New Mexico Power ("TNMP"). Although these facilities are physically located in Texas, the projects provide network, security, or backup services used by PNM. The costs assigned to PNM are determined under the applicable Shared Services allocation methodology sponsored by PNM witness Gutierrez. Another example is telecommunications investment in phone and data network systems and technology blankets (CPRs). The CPR types include:

- CPR PC: materials and installation to replace aging employee workstation equipment such as personal computers and monitors, and to upgrade memory and hard disk space. PC replacement runs on a four-year cycle. Manufacturers generally retire platforms every one to two years but include a three-year warranty on new hardware, which is the manufacturer's standard.
- CPR Servers/Storage: materials and installation to replace aging computer servers. Server replacement runs on a four-to-five-year cycle. PNM tracks end-of-life and end-of-support dates from each manufacturer to determine when a server is due for replacement.
- CPR Telecom: materials and installation to replace commodity equipment such as switches, routers, and firewalls, and circuit carrier-grade equipment such as power supplies, Uninterruptible Power Supplies, and batteries that support the Company's voice and data communications. Commodity telecommunication equipment replacement averages a three-to-five-year cycle based on manufacturer end-of-life and end-of-support dates, to stay aligned with the vendor.
- CPR OT Asset: replaces end-of-life hardware assets such as servers, routers, firewalls, and other networking equipment that directly support the Bulk Electric System required to maintain reliability of the electric grid.

PNM Table TCP-3
Reliability & Resiliency

Shared Services | Reliability & Resiliency			
39 project(s), ordered by Project #			
Project #	**Project Name**	**Subcategory**	**7/26-9/28 Clearings**
09328026	ETRM Data Svcs Implement 2026	Tech-Software/Hardware	$115,603
65028126	NERC PRC-027 CORE Software	Tech-Software/Hardware	$2,210,190
65030610	Communications Equipment-blanket	Tech-Comms/Telecom	$574,973
70028025	Enterprise Investment Optimization	Tech-Software/Hardware	$(2,338,896)
73128224	Extended Day Ahead Market-EDAM 2025	Tech-Software/Hardware	$15,235,249
96828047	IBM DataStage ETL Upg 2027	Tech-Software/Hardware	$202,213
96828057	3rd Party Risk Mgmt Ph 1 2027	Tech-Software/Hardware	$474,375
96828066	CrowdStrike ELA 2026	Tech-Software/Hardware	$1,594,466
96828228	CISCO SmartNet (HW) ELA 2028	Tech-Software/Hardware	$2,367,874
96828247	Disaster Recovery Refresh (HW) 2027	Tech-Software/Hardware	$1,989,166
96828357	CUCM Upgrade 2027	Tech-Comms/Telecom	$308,120
96828367	Service Suite Upg 2027	Tech-Software/Hardware	$999,738
96828425	CPR Servers Storage 2025	Tech-Blankets-Technology	$28,000
96828426	CPR Servers Storage 2026	Tech-Blankets-Technology	$1,242,139
96828427	CPR Servers Storage 2027	Tech-Blankets-Technology	$1,613,723
96828457	DC OS Lifecycle Mgmt 2027	Tech-Software/Hardware	$75,058
96828526	CPR PCs 2026	Tech-Blankets-Technology	$1,477,194
96828527	CPR PCs 2027	Tech-Blankets-Technology	$1,499,771
96828548	Dark Trace ELA 2028	Tech-Software/Hardware	$817,342
96828567	Shadow IT Alerting and ID Ph 1 2027	Tech-Software/Hardware	$380,090
96828657	DC Storage Backup Modern 2027	Tech-Software/Hardware	$150,192
96828748	Adobe Licensing Agreement 2028	Tech-Software/Hardware	$792,489
96828767	TDM Decommissioning 2027	Tech-Software/Hardware	$500,314
96828786	Gigamon Co-Termed ELA 2026	Tech-Software/Hardware	$570,943
96828867	Texas Internet Egress via BGP 2027	Tech-Comms/Telecom	$149,801
96829157	Lewisville Network Refresh 2027	Tech-Software/Hardware	$350,742
96829228	NetApp Banner Storage ELA 2028	Tech-Software/Hardware	$273,599
96829247	Broadcom ELA 2027	Tech-Software/Hardware	$10,000,000
96829257	Lewisville Load Balancer F5 2027	Tech-Software/Hardware	$224,546
96830526	Data Center Cooling Towers Repl	GS-Facilities	$499,699

Shared Services | Reliability & Resiliency			
39 project(s), ordered by Project #			
Project #	**Project Name**	**Subcategory**	**7/26-9/28 Clearings**
96829367	CPR Crisis Resilience 2027	Tech-Blankets-Technology	$150,226
96829527	eDOCS DM Tech Stack Upgrade 2027	Tech-Software/Hardware	$1,302,177
96829646	CPR Telecom Blanket 2026	Tech-Blankets-Technology	$950,883
96829647	CPR Telecom Blanket 2027	Tech-Blankets-Technology	$1,250,031
96829666	Microsoft CSP ELA and Azure 2026	Tech-Software/Hardware	$1,507,644
96829728	ServiceNow ELA 2028	Tech-Software/Hardware	$5,640,099
96829766	Enterprise Data Storage Refr 2026	Tech-Software/Hardware	$1,691,966
64830023	Spec Equip and Vehicles Co2	GS-Tools/Equip/Vehicles	$633,797
96834157	DC Server HW Ref 2027	Tech-Software/Hardware	$200,080
Grand Total			**$57,705,616**

Certain project amounts shown in PNM Table TCP-3 reflect net accounting adjustments or reversals that reduce the projected clearings for the Capital Investment Period.

Q. Within the Compliance value driver, please describe the technology and general services projects and programs.

A. Compliance objectives improve the Company's ability to monitor, identify issues, avoid risks, avoid possible fines, and respond quickly to stakeholder inquiries. As a regulated utility participating in critical infrastructure agreements throughout North America, the Company is subject to many legal and regulatory requirements. Those requirements must be met and reported in specific, efficient, and sophisticated ways. There are eight planned programs and projects within this

driver, totaling $4.8 million, representing 2.46% of the technology and general services investments. Refer to PNM Table TCP-4. Examples include the NERC CIP program, meeting new FERC Order No. 881 standards, and NERC governance, risk and compliance (GRC) software. These improvements enhance and modernize the NERC CIP systems and processes, so the Company maintains the mandated standards that improve the bulk power system's security. They give the Company the capability to meet required reliability and regulatory compliance standards for our generation and T&D systems.

PNM Table TCP-4
Compliance

Shared Services | Compliance			
8 project(s), ordered by Project #			
Project #	**Project Name**	**Subcategory**	**7/26-9/28 Clearings**
65028040	FERC 881	Tech-Software/Hardware	$773,311
94128026	NERC CIP Program-2026	Tech-Software/Hardware	$47,731
94128425	NERC GRC Software 2025	Tech-Software/Hardware	$546,948
94128528	Fortra FIM Tripwire ELA 2028	Tech-Software/Hardware	$986,337
95128146	CPR OT Assets Annual Refresh 2026	Tech-Blankets-Technology	$983,282
95128147	CPR OT Assets Annual Refresh 2027	Tech-Blankets-Technology	$993,667
96828046	ZenGRC ELA 2026	Tech-Software/Hardware	$223,456
96829066	SigmaFlow Upg 2026	Tech-Software/Hardware	$260,823
Grand Total			**$4,815,555**

Q. Within the Safety & Security value driver, please describe the technology and general services projects and programs.

A. The Company keeps the safety of our customers and employees a top priority through investments that mitigate existing safety, physical, or cyber security risks, or that strengthen those functions. Like all utilities, the Company must continually assess and mitigate system and facility vulnerabilities, including new cyber and physical threats that surface virtually every day. Deploying security technologies reduces the risk of systems and related data being compromised and secures physical facilities, substations, and equipment. There are 34 programs and projects aligned to this value driver with a total clearing of $26.7 million, representing 13.67% of the technology and general services investment. Refer to PNM Table TCP-5. Cyber security programs are a collection of one or more projects that add new computer security systems supporting or improving functions carried out by the Company's generation, T&D, and shared services. Physical security programs are a collection of projects that add new surveillance and monitoring systems at PNM's buildings. These include new physical security video systems and Company safety applications that record all safety observations and incidents. They also include renewal of enterprise license agreements: Blue Snow, the Company's safety system that tracks safety incidents with root cause; Tanium, which tracks IT endpoints such as laptops and provides real-time security and patching; and Identity Access Management ("IAM"), which manages who can access systems and software across the Company. The Lewisville Security Stack Modernization 2027

is also listed, as it is the primary failover for New Mexico network and security operations.

The capital investments discussed in this section are separate from the cybersecurity O&M costs presented later in my testimony. PNM's supporting workpapers identify the accounting treatment of each item and prevent the same cost from being included in both categories.

PNM Table TCP-5
Safety & Security

Shared Services | Safety & Security			
34 project(s), ordered by Project #			
Project #	**Project Name**	**Subcategory**	**7/26-9/28 Clearings**
96828067	Segmentation Network and ACI 2027	Tech-Software/Hardware	$199,921
96828086	Network Access Control (NAC) 2026	Tech-Software/Hardware	$84,232
96828157	AI Detect and Correl Ph 1 2027	Tech-Software/Hardware	$457,231
96828167	Segmentation NSX 2027	Tech-Software/Hardware	$500,095
96828257	Agentic AI SOC 2027	Tech-Software/Hardware	$299,279
96828286	Security Mitigation Program 2026	Tech-Software/Hardware	$2,821,682
96828646	CPR Cybersecurity 2026	Tech-Blankets-Technology	$797,566
96828647	CPR Cybersecurity 2027	Tech-Blankets-Technology	$1,545,434
96828666	Dataminr Cyber ELA 2026	Tech-Software/Hardware	$251,520
96828667	System Process App Seg Ph 1 2027	Tech-Software/Hardware	$450,078
96828757	Email Resil Modern Sec Ph 1 2027	Tech-Software/Hardware	$239,032
96828857	Endpoint Hardening Ph 1 2027	Tech-Software/Hardware	$345,280
96828957	Enhance Auth Modern Ph 1 2027	Tech-Software/Hardware	$448,976
96828966	Blue Snow ELA 2026	Tech-Software/Hardware	$77,039
96829067	Threat Exp Mgmt Mod Ph 1 2027	Tech-Software/Hardware	$350,198
96829068	Optiv Saviynt True Up 2028	Tech-Software/Hardware	$28,722
96829127	Cisco Security ELA 2027	Tech-Software/Hardware	$7,800,987
96829146	Ent Firewall Renewal 2026	Tech-Software/Hardware	$795,741
96829357	Lewisville Sec Stack Modern 2027	Tech-Software/Hardware	$300,095
96829358	Fortress ELA 2028	Tech-Software/Hardware	$439,824
96829446	CPR Corp Security 2026	Tech-Blankets-Technology	$794,877

Shared Services | Safety & Security			
34 project(s), ordered by Project #			
Project #	**Project Name**	**Subcategory**	**7/26-9/28 Clearings**
96829447	CPR Corp Security 2027	Tech-Blankets-Technology	$749,579
96829457	Network Perim File Threat 2027	Tech-Software/Hardware	$1,202,494
96829557	Network Sec Infra Auto 2027	Tech-Software/Hardware	$100,443
96829627	Tanium ELA 2027	Tech-Software/Hardware	$498,702
96829757	Traka ELA 2027	Tech-Software/Hardware	$69,223
96829827	Infoblox ELA 2027	Tech-Software/Hardware	$346,972
96829857	Privil Sys Session Mgmt Ph 1 2027	Tech-Software/Hardware	$380,090
96829926	Security Video System 2026	Tech-Software/Hardware	$300,457
96829957	RSM Qualys Portal PCI Scans 2027	Tech-Software/Hardware	$69,736
96829966	Identity Access Mgmt (IAM) 2026	Tech-Software/Hardware	$2,823,503
97728026	Phys Sec New Cap Prog 2026	Tech-Software/Hardware	$230,168
97728027	Phys Sec New Cap Prog 2027	Tech-Software/Hardware	$799,255
97728128	C Cure ELA 2027	Tech-Software/Hardware	$119,691
Grand Total			**$26,718,121**

Q. Within the General Services value driver, please describe the technology and general services projects and programs.

A. Investments that enhance and expand facilities, equipment, vehicles, and tools are necessary to sustain the operations that support PNM's customers. There are 30 general services blankets, programs, and projects aligned to this value driver with a total clearing of $29.0 million, representing 14.84% of the technology and general services investment. Refer to PNM Table TCP-6. Examples include the general services blankets described earlier in my testimony; the PNM Headquarters cooling tower replacement; replacement of the barn at the Albuquerque Electric Service Center ("ESC") that services crew trucks; the build-out of the Farmington office to house resources displaced by the exit from the Four Corners plant.

PNM Table TCP-6
General Services

Shared Services | General Services			
30 project(s), ordered by Project #			
Project #	**Project Name**	**Subcategory**	**7/26-9/28 Clearings**
10030526	ESC Line Truck Barn Replacement	GS-Facilities	$1,212,510
10031922	Gen Svcs Bldg Maint Blanket-Distr	GS-Blankets-General Services	$2,231,393
10034007	ABQ Metro 2010 Tools & Equipment	GS-Tools/Equip/Vehicles	$574,909
10034012	Tech Services Distribution Tools	GS-Tools/Equip/Vehicles	$396,120
15034011	Southern Tools & Equipment	GS-Tools/Equip/Vehicles	$295,966
20030526	Deming Station Roof Repair	GS-Facilities	$204,711
35730526	2026 Aztec Building A Contingency	GS-Facilities	$94,678
35730527	2027 Aztec Building A Contingency	GS-Facilities	$94,538
35730528	2028 Aztec Building A Contingency	GS-Facilities	$546,625
35732026	Aztec A 2nd Floor Workstations	GS-Facilities	$111,092
41030526	Santa Fe Cooling Tower Replacement	GS-Facilities	$386,198
41034007	Tools & Equipment	GS-Tools/Equip/Vehicles	$447,167
60030022	Spec Equip and Vehicles Co1	GS-Tools/Equip/Vehicles	$718,958
60030526	Las Vegas Office ADA Ramp	GS-Facilities	$106,653
60034022	Fleet Tool Blanket	GS-Blankets-General Services	$67,368
91128325	Treasury Management System	Tech-Software/Hardware	$620,935
96829845	DFIN Collaboration ELA 2026	Tech-Software/Hardware	$1,991,258
65031922	Gen Svcs Bldg Maint Blanket-Trans	GS-Blankets-General Services	$198,680
65034010	Co2 Tools & Equipment	GS-Tools/Equip/Vehicles	$394,574
65034012	Tech Service Transmission Tools	GS-Tools/Equip/Vehicles	$616,322
96831007	Gen Svcs Maint Blankt - Data Center	GS-Blankets-General Services	$875,992
97130526	TXNM Farmington Office	GS-Facilities	$2,662,745
97131007	Gen Svcs Maint Blanket - Farmington	GS-Blankets-General Services	$50,000
97230725	Masthead HVAC RTU Replacement	GS-Facilities	$82,014
97231007	Gen Svcs Maint Blanket- Masthead	GS-Blankets-General Services	$50,000
97730524	General Bldg and MRF Upgrades	GS-Facilities	$6,992,010
97730525	Employee Parking Elevator Rebuilds	GS-Facilities	$565,177
97730526	HQ Cooling Towers Replacement	GS-Facilities	$500,047
97730625	HQ Chillers Replacement	GS-Facilities	$94,380
97731007	Gen Svcs Bldg Maint Blanket - Corp	GS-Blankets-General Services	$5,829,065
Grand Total			**$29,012,086**

Q. Within the Technology Advancements value driver, please describe the technology and general services projects and programs.

A. Investments that upgrade and build new business capabilities for corporate systems and utility grid operations are necessary to improve overall electric system performance. They keep those systems current and capable of managing rapidly changing power and customer needs efficiently. There are 26 programs and projects aligned to this value driver, with total clearings of $71.6 million, representing 36.62% of the technology and general services investment. Refer to PNM Table TCP-7. Failing to upgrade systems regularly opens information and security gaps that can stop these systems from automatically optimizing critical parts of the Company's power delivery and customer service. One example is the AI Program, a multi-year effort to revamp the Company's use of advanced AI to improve everything from efficiency to security. Another is the EAM Modernization project, which replaces the existing Maximo system with a modern tool from IFS. That multi-year project replaces the current Maximo functionality and absorbs features and functions currently covered by several other systems, which lets us decommission those systems in the future.

PNM Table TCP-7
Technology Advancements

Shared Services | Technology Advancements			
26 project(s), ordered by Project #			
Project #	**Project Name**	**Subcategory**	**7/26-9/28 Clearings**
10030610	Communication and Equipment Blanket	Tech-Comms/Telecom	$188,032
70028224	Documentation System Upgrades	Tech-Software/Hardware	$131,747
70028227	Data Historian Software License 2027	Tech-Software/Hardware	$1,983,991
70028327	Adv Analytics Process Mgmt SEEQ 27	Tech-Software/Hardware	$882,494
94128120	ArcFM Upgrade to Utility Network	Tech-Software/Hardware	$2,741,528
94128328	NERC CIP GRC ELA 2028	Tech-Software/Hardware	$545,129
96828145	Corporate Applications Prog 2025	Tech-Software/Hardware	$217,029
96828267	VMware vRealize ELA 2027	Tech-Software/Hardware	$1,980,218
96828346	Corporate Applications Prog 2026	Tech-Software/Hardware	$820,516
96828347	Corporate Applications Prog 2027	Tech-Software/Hardware	$199,298
96828386	AI Program 2026	Tech-Software/Hardware	$2,594,694
96828387	AI Program 2027	Tech-Software/Hardware	$2,974,150
96828846	Infrast-New Capabilities Prgrm 2026	Tech-Software/Hardware	$232,133
96828926	Lifecycle Mgmt-Infra Prgrm 2026	Tech-Software/Hardware	$1,990,462
96828927	Lifecycle Mgmt-Infra Prgrm 2027	Tech-Software/Hardware	$218,825
96828946	Tech Adv-Future Cap Program 2026	Tech-Software/Hardware	$493,719
96828947	Tech Adv-Future Cap Program 2027	Tech-Software/Hardware	$1,288,769
96828965	Tibco Platform Upg 2025	Tech-Software/Hardware	$1,050,074
96828967	VMware Cloud Found Dev 2027	Tech-Software/Hardware	$250,294
96829026	Telecom-New Capabilities Prgrm 2026	Tech-Comms/Telecom	$1,407,566
96829057	Gartner Support Contracts 2027	Tech-Software/Hardware	$383,313
96829266	Web App Mod Prog 2026	Tech-Software/Hardware	$159,936
96829348	Pathlock ELA 2028	Tech-Software/Hardware	$152,108
96829427	Splunk IT Core Enterprise ELA 2027	Tech-Software/Hardware	$4,968,674
96829628	Oracle ELA 2028	Tech-Software/Hardware	$9,920,826
98628124	EAM Modernization	Tech-Software/Hardware	$33,801,538
Grand Total			**$71,577,066**

Q. Please explain other Shared Services capital investments that are below $25,000.

A. PNM Table TCP-8 provides a listing of the capital projects included in the Capital Investment Period that have total clearings below $25,000. In general, these could represent technology and general services blankets with small amounts of annual activity or specific projects that are in service but have relatively small residual costs forecast to clear during the Capital Investment Period. Because of the nature of these projects and the small dollar amounts, PNM does not require the detailed capital budgeting documentation required for larger projects. Project management teams are responsible for monitoring and reviewing costs to ensure they are reasonable. Negative values shown in TCP-8 reflect net accounting adjustments or reversals that reduce the projected clearings for the Capital Investment Period.

PNM Table TCP-8
Projects Below $25,000

Shared Services | Projects Below $25,000		
5 project(s), ordered by Project #		
Project #	**Project Name**	**7/26-9/28 Clearings**
96828224	MS SharePoint Upgrade 2025	$1,748
96828226	MS Enterprise License Agrmt 2026	$(23,064)
96828525	CPR PCs 2025	$(3)
96829866	Cognos Upgrade 2026	$(1,438)
97734126	Security Mitigation Program 2026	$17,053
Grand Total		**$(5,704)**

IV. OVERVIEW OF SHARED SERVICES INCREMENTAL OPERATING EXPENDITURES

Q. What are the cost categories that comprise the Shared Services incremental O&M expenditures?

A. The incremental Shared Services operating expenditures addressed in my testimony include: (1) labor associated with seven proposed IT/OT positions; (2) employee expenses associated with those positions; (3) outside-services costs associated with evaluating a CIS replacement and selecting an implementation partner; and (4) cybersecurity costs for which PNM requests deferred regulatory recovery. PNM Tables TCP-9, TCP-10 and TCP-11 summarize these costs. PNM witness Gutierrez presents the amounts included in the Test Period cost of service and the related accounting treatment.

Q. Please describe the additional labor expenditures included in the Test Period for Shared Services operations?

A. To meet the objectives stated above, PNM is increasing IT/OT staffing in the Test Period by seven FTEs. All seven positions' labor costs use the midpoint salary on the PNM Resources Salary Range chart, which also represents 100% of market salaries. Refer to the Direct Testimonies of PNM witnesses Angela L. Pino and Gutierrez for labor escalations and for the annualized labor costs in PNM's Cost of Service. The positions include but are not limited to: 1) supporting cloud and AI engineering to improve the security and risk posture of critical operational

environments; 2) increased need for application integration support across multiple enterprise environments; and 3) supporting overall AI and operational reliability through increased systems engineering, process improvements, and integrated data management. Refer to PNM Table TCP-9 for the summary of labor operational expenses.

PNM Table TCP-9
Operational Expenses - Labor

Description	Number Of Employees	Position Grade	Hire Date	Annual Salary Per Employee	O&M Percentage	Linkage Period	Test Period
Anly, Prog II/Sr – Cyber Security	2	G06	3/1/2027	$111,325	80%	$74,217	$178,120
Anly, Prog II/Sr – Integration & BI	2	G06	3/1/2027	$111,325	80%	$74,217	$178,120
Lead Solutions Engineer – Architecture	1	G05	3/1/2027	$128,000	80%	$42,667	$102,400
Cloud Engineer – Infrastructure	1	G05	3/1/2027	$128,000	80%	$42,667	$102,400
Anly, Business Support Sr. – CIS	1	G06	3/1/2027	$111,325	100%	$46,385	$111,325
	7					$280,152	**$672,365**

Q. Are there additional non-labor expenditures included in the Test Period for Shared Services operations?

A. Yes. For each new position, PNM has an associated non-labor expense at an annual rate of $3,500 per FTE. Additionally, there is $2.50 million of costs associated with the outside services needed to evaluate an appropriate CIS replacement. This cost includes the selection of a solution as well as an implementation partner to ensure a successful transition.

PNM Table TCP-10
Non-Labor - Operational

Description	Test Period
Employee Expenses (7 FTE positions)	$24,500
Outside Services	$2,500,000
Total	**$2,524,500**

Q. What is FERC Order No. 893 and why are these expenses appropriate?

A. FERC Order No. 893 is an order that outlines specific investments by utilities in advanced cybersecurity technologies. This order provides a framework for incentive-based rate treatment of certain cybersecurity investments. Please refer to the testimony of PNM witness Gutierrez for additional information about the deferral of costs related to FERC Order No. 893. Table TCP-11 below gives a list of each project as well as the O&M deferrals from the end of the Base Period through the beginning of the Test Period. My testimony addresses the operational need for the underlying cybersecurity activities. These investments in advanced cybersecurity technologies are necessary to help fortify and protect the utility and its customers against emerging Frontier AI threats.

PNM Table TCP-11
FERC 893 Frontier AI Readiness

FERC 893 Frontier AI Readiness		
11 project(s), ordered by Project #		
Project #	**Project Name**	**7/26-9/27 Deferrals**
1	Passwordless / Privileged Access (CyberArk)	208,335
2	Continuous Threat Management Process (Threat Surface Reduction) Patch Operations	365,500
3	AD Hardening	109,650
4	ZenGRC BIA SNOW Integration	281,896
5	Security Operations Uplift	160,820
6	Firewall Support Costs (ELA)	511,700
7	Frontier AI Assessment	438,600
8	Vishing Awareness & Resilience Program	25,585
9	Oracle Platform Security Assessment	621,350
10	Cyber Resilience Program (All hazards Operations - Phase II)	731,000
11	Cybersecurity Incident handling Retainers (Playbook)	365,500
Grand Total		**3,819,936**

Q. Are the overall Shared Services operating expenditures reflected in the Test Period reasonable?

A. Yes. On IT/OT, the expenditures are needed to achieve the following: They continue to strengthen the Company's ability to protect people, systems, the Company, and the utility grid from cyber and physical attacks. They continue to strengthen the telecommunications topology for voice and data networks. They enhance system operations capabilities, system architecture, and applications support.

V. CONCLUSION

Q. Do you have concluding observations?

A. Yes. Shared Services supports PNM by managing the Shared Services capital investments for technology, facilities, equipment, and furniture. The Company strives to minimize customer costs through its structured, rigorous project governance process, which identifies and prioritizes capital investments and responds to unforeseen events that change business priorities.

Based on the project needs, alternatives, estimate information, customer benefits, and projected clearings presented in PNM Exhibit TCP-2, I conclude that the Shared Services projects included within the scope of my testimony are necessary to support PNM's operations. The incremental Shared Services O&M costs addressed in my testimony relate to the staffing, CIS evaluation, and cybersecurity activities described in Section IV. PNM witness Gutierrez presents the allocation, accounting treatment, and amounts included in PNM's retail revenue requirement.

Q. Does this conclude your direct testimony?

A. Yes.

GCG#536195

PNM Exhibit TCP – 1

Statement of Qualifications

Is contained in the following 3 pages.

Dr. Tobe C. Phelps

DM • MBA • PMP
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EXECUTIVE PROFILE

Technology and IT governance executive with 30+ years leading complex, global technical ecosystems across regulated utility, semiconductor manufacturing, enterprise consulting, and higher education. Currently directs the enterprise IT Project Management Office for a regulated electric utility, owning the IT capital portfolio, financial controls, stage-gate governance, and the strategic alignment of technology investment with business priorities. Combines deep portfolio, program, and financial management discipline with hands-on data governance, QA/testing, organizational change, and practical AI experience. Recognized for translating business strategy into measurable, predictable delivery while operating to the highest standards of regulatory compliance and integrity.

AREAS OF EXPERTISE

- Enterprise IT Governance & Operating Models
- IT Financial Transparency (Run vs. Change)
- Data Governance & Stewardship Frameworks
- Organizational Change Management (OCM)
- Business Relationship Management
- AI Tools, Strategy & Practical Application
- Portfolio & Program Management (PPMO)
- Capital Planning, FERC & FASB Compliance
- QA / Testing Centers of Excellence
- Resource & Capacity Management
- Vendor & IT Contract Management
- Regulated / Critical Infrastructure

PROFESSIONAL EXPERIENCE

PNM Resources / TXNM Energy — Associate Director, IT PMO

Albuquerque, NM *12/2020 – Present*

Lead the enterprise IT Project Management Office for a regulated electric utility serving PNM (New Mexico) and TNMP (Texas). Direct a team of 12, including three managers, overseeing all program manager, project manager, and business analyst functions. Own the IT capital portfolio of roughly 110 projects annually with an average budget of $50M+, and serve as the primary conduit between IT, business owners, and Finance for funding, prioritization, and benefits realization.

- **Portfolio & Capital Planning:** Run the full IT capital budget — managing capital accounts, ensuring compliance with FASB and FERC financial standards, and integrating the IT project/program portfolio into the enterprise 5-year capital plan through collaborative planning with business segments.
- **Governance & Stage-Gate:** Designed and implemented a stage-gate governance process in the PMO tool of record (UMT360 / Project Online), establishing standardized intake, prioritization, and portfolio dashboards for capital and O&M initiatives.
- **Process Optimization:** Greatly reduced project lifecycle paperwork and process overhead, and introduced a tailored fast-track path to accelerate low-risk projects through governance without sacrificing control.
- **Financial Transparency & Regulatory:** Authored testimony for the TNMP (Texas) rate case and increased transparency into IT process, project status, and spend for senior management and regulators.
- **Vendor & Contract Management:** Review IT contracts for both legal and financial compliance, partnering with Supply Chain and IT contract owners on sourcing, capitalization analysis, and capital-versus-O&M classification.
- **Stakeholder Alignment & OCM:** Normalized working relationships between the two operating utilities and the PMO, and redefined the Annual Operating Plan (AOP) process to be more inclusive, collaborative, and predictable.

Central New Mexico Community College — Chief Technology Innovation Officer
Albuquerque, NM *10/2014 – 06/2020*

Led enterprise technology innovation and data strategy for the institution, partnering daily with executive leadership to plan and implement leading-edge technology — including blockchain credentialing, AI/ML, and virtual reality — backed by disciplined financial and project management.

- **Data Governance Leadership:** Stood up the college's data governance program ahead of an ERP transition to Workday — chartering a data governance council, authoring data governance policies, the data dictionary, and change management processes, and leading the federation of data systems across the college.
- **Innovation:** Made CNM the first community college in the nation to issue blockchain diplomas to all graduating students — a purely data-driven credentialing technology that earned national media coverage and the 2018 Innovator of the Year award.
- **Strategic Programs:** Launched the CNM Online College from startup to a healthy operating program within one year before transitioning it to academic operations.
- **Data-Driven Decision Making:** Chaired a multi-year enrollment task force that used institutional data to drive changes to the student experience and positively influence enrollment.

Hewlett Packard Enterprise (formerly EDS) — Project Executive
Auburn Hills, MI *07/1996 – 04/2014*

Owned the P&L, staff, and delivery for large enterprise accounts, leading full IT transformations through ITIL-based service delivery, data architecture, and governance. Spanned pre-sales due diligence, negotiation, and multi-year implementation. Delivered over $7B in contract value across 23 countries. Clients included General Motors, Kraft Foods, Mondelēz International, Molson Coors, Conway Freight, and Deutsche Bank.

- **QA & Testing Center of Excellence:** Built and enforced QA standards, testing services, tooling, and ironclad change management into the ITIL environments delivered to clients — the foundation of what is now termed a Testing Center of Excellence (TCoE).
- **Enterprise Transformation:** Executive Program Manager for splitting Kraft Foods into two companies (Kraft Foods NA and Mondelēz) and standing up new corporate-wide IT infrastructure — 35 direct reports plus 120 matrixed staff, delivered under budget.
- **Contract Negotiation:** Directed a 35-person team renegotiating the General Motors IT services contract — scope, SLAs, and price — valued at $2B over 10 years.
- **Semiconductor SME:** As an EDS subject matter expert, consulted on and delivered semiconductor automation solutions across North America and Singapore.

Philips Semiconductors — Senior Production Specialist
Albuquerque, NM *07/1993 – 07/1996*

- Provided etch engineering and production support, driving process and quality improvements across photolithography and etch equipment.

Intel Corporation — Etch Engineering Technician
Rio Rancho, NM *09/1989 – 05/1992*

- Improved production reliability and yield through statistical process control and equipment characterization.

EDUCATION

Doctor of Management, Organizational Leadership — University of Phoenix, 2018

Dissertation: Organizational Change in Higher Education, a Grounded Theory Approach — generating the theory of Barycentric Leadership.

Master of Business Administration (MBA) — University of Phoenix, 2015

B.S. Business Management — University of Phoenix, 2006

CERTIFICATIONS & AFFILIATIONS

- **Project Management Professional (PMP)** — PMI #74121 (renews 12/17/2028)
- **Agile Certified Practitioner (PMI-ACP)** — PMI #1992628 (renews 03/30/2029)

- **ITIL v4 Foundation** (renews 12/01/2029)
- Board Member — United Way of Central New Mexico, Community Impact Council
- Former Board Member — Parchment Product Advisory Board

REGULATORY TESTIMONY

- **NMPRC**
- 24-00059-UT - Application for Approval of an Accounting Order Governing PNM's Investments and Expenditures to Join the Extended Day-Ahead Market

- **PUCT**
- 58964 – Application of Texas-New Mexico Power Company For Authority to Change Rates

PNM Exhibit TCP – 2

Shared Services Capital Projects

Is contained in the following 1736 pages.

PNM EXHIBIT TCP-2 Shared Services Capital Projects

Project costs & closings data based on PowerPlan forecasted dollars.
Project information based on SharePoint supplemental data.
In Excel, click/tap a project number below to view detailed information for that project.
In Excel, hold CTRL button and click/tap left or right arrow to left of the sheet tabs to go to first or last sheet.
Projects forecasted to have less than $25,000 in absolute value in clearings during July 2026-September 2028 are listed at the bottom of the table of contents, but excluded from documentation.

Table of Contents

Project #	Project Name	Net BegBal-Jul-26	Costs 7/26-9/28	Clearings 7/26-9/28
09128026	Customer Experience Program 2026	137,324	573,036	(709,228)
09128027	Customer Experience Program 2027	-	102,109	(102,109)
09128127	Liferay & PNM.com Platform Upg 2027	-	1,069,486	(1,069,486)
09128326	Customer Comm CANSPAM Pref 2026	-	37,126	(37,126)
09128327	New Customer Comm Platform 2027	-	1,999,248	(1,999,248)
09128725	NICE InContact Program	27,888	1,529,819	(1,557,408)
09328026	ETRM Data Svcs Implement 2026	89,570	26,669	(115,603)
10030526	ESC Line Truck Barn Replacement	65,699	1,146,810	(1,212,510)
10030610	Communication and Equipment Blanket	35,682	171,398	(188,032)
10031922	Gen Svcs Bldg Maint Blanket-Distr	284,803	2,135,565	(2,231,393)
10034007	ABQ Metro 2010 Tools & Equipment	138,130	439,365	(574,909)
10034012	Tech Services Distribution Tools	118,097	278,279	(396,120)
15034011	Southern Tools & Equipment	44,397	272,871	(295,966)
20030526	Deming Station Roof Repair	-	204,711	(204,711)
35730526	2026 Aztec Building A Contingency	-	94,678	(94,678)
35730527	2027 Aztec Building A Contingency	-	94,538	(94,538)
35730528	2028 Aztec Building A Contingency	-	546,625	(546,625)
35732026	Aztec A 2nd Floor Workstations	-	111,092	(111,092)
41030526	Santa Fe Cooling Tower Replacement	-	386,198	(386,198)
41034007	Tools & Equipment	22,685	425,083	(447,167)
60030022	Spec Equip and Vehicles Co1	10,415	1,059,857	(718,958)
60030526	Las Vegas Office ADA Ramp	61,809	44,844	(106,653)
60034022	Fleet Tool Blanket	1,119	105,589	(67,368)
64830023	Spec Equip and Vehicles Co2	96,934	793,494	(633,797)
65028040	FERC 881	205,376	572,470	(773,311)
65028126	NERC PRC-027 CORE Software	-	2,210,190	(2,210,190)
65030610	Communications Equipment-blanket	29,316	617,317	(574,973)
65031922	Gen Svcs Bldg Maint Blanket-Trans	-	262,346	(198,680)
65034010	Co2 Tools & Equipment	78,915	316,076	(394,574)
65034012	TECH SERVICE TRANSMISSION TOOLS	27,440	589,051	(616,322)
70028025	Enterprise Investment Optimization	-	(2,314,400)	2,338,896
70028224	Documentation System Upgrades	(0)	131,747	(131,747)
70028227	Data Historian SoftwareLicense 2027	-	1,983,991	(1,983,991)
70028327	Adv Analytics Process Mgmt SEEQ 27	-	882,494	(882,494)
73128224	Extended Day Ahead Market-EDAM 2025	4,643,175	10,601,480	(15,235,249)
91128325	Treasury Management System	378,628	251,273	(620,935)
94128026	NERC CIP Program-2026	-	47,731	(47,731)
94128120	ArcFM Upgrade to Utility Network	1,831,480	926,699	(2,741,528)
94128328	NERC CIP GRC ELA 2028	-	545,129	(545,129)
94128425	NERC GRC Software 2025	518,196	43,341	(546,948)
94128528	Fortra FIM Tripwire ELA 2028	-	986,337	(986,337)
95128127	ColdFusion Upg 2027	-	149,425	(149,425)
95128146	CPR OT Assets Annual Refresh 2026	415,492	572,955	(983,282)
95128147	CPR OT Assets Annual Refresh 2027	-	993,667	(993,667)
96828046	ZenGRC ELA 2026	224,016	-	(223,456)

Table of Contents

Project #	Project Name	Net BegBal-Jul-26	Costs 7/26-9/28	Clearings 7/26-9/28
96828047	IBM DataStage ETL Upg 2027	-	202,213	(202,213)
96828057	3rd Party Risk Mgmt Ph 1 2027	-	474,375	(474,375)
96828066	CrowdStrike ELA 2026	-	1,594,466	(1,594,466)
96828067	Segmentation Network and ACI 2027	-	199,921	(199,921)
96828086	Network Access Control (NAC) 2026	-	84,232	(84,232)
96828145	Corporate Applications Prog 2025	222,793	-	(217,029)
96828157	AI Detect and Correl Ph 1 2027	-	457,231	(457,231)
96828167	Segmentation NSX 2027	-	500,095	(500,095)
96828228	CISCO SmartNet (HW) ELA 2028	-	2,367,874	(2,367,874)
96828247	Disaster Recovery Refresh (HW) 2027	-	1,989,166	(1,989,166)
96828257	Agentic AI SOC 2027	-	299,279	(299,279)
96828267	VMware vRealize ELA 2027	-	1,980,218	(1,980,218)
96828286	Security Mitigation Program 2026	1,094,203	1,745,873	(2,821,682)
96828346	Corporate Applications Prog 2026	206,061	616,050	(820,516)
96828347	Corporate Applications Prog 2027	-	199,298	(199,298)
96828357	CUCM Upgrade 2027	-	308,120	(308,120)
96828367	Service Suite Upg 2027	-	999,738	(999,738)
96828386	AI Program 2026	34,667	2,561,486	(2,594,694)
96828387	AI Program 2027	-	2,974,150	(2,974,150)
96828425	CPR Servers Storage 2025	28,000	-	(28,000)
96828426	CPR Servers Storage 2026	218,917	1,028,839	(1,242,139)
96828427	CPR Servers Storage 2027	-	1,613,723	(1,613,723)
96828457	DC OS Lifecycle Mgmt 2027	-	75,058	(75,058)
96828526	CPR PCs 2026	1,653,590	(144,270)	(1,477,194)
96828527	CPR PCs 2027	-	1,499,771	(1,499,771)
96828548	Dark Trace ELA 2028	-	817,342	(817,342)
96828567	Shadow IT Alerting and ID Ph 1 2027	-	380,090	(380,090)
96828646	CPR Cybersecurity 2026	1,102,294	(301,974)	(797,566)
96828647	CPR Cybersecurity 2027	-	1,545,434	(1,545,434)
96828657	DC Storage Backup Modern 2027	-	150,192	(150,192)
96828666	Dataminr Cyber ELA 2026	-	251,520	(251,520)
96828667	System Process App Seg Ph 1 2027	-	450,078	(450,078)
96828748	Adobe Licensing Agreement 2028	-	792,489	(792,489)
96828757	Email Resil Modern Sec Ph 1 2027	-	239,032	(239,032)
96828767	TDM Decommissioning 2027	-	500,314	(500,314)
96828786	Gigamon Co-Termed ELA 2026	109	570,834	(570,943)
96828846	Infrast-New Capabilities Prgrm 2026	86,146	147,283	(232,133)
96828857	Endpoint Hardening Ph 1 2027	-	345,280	(345,280)
96828867	Texas Internet Egress via BGP 2027	-	149,801	(149,801)
96828926	Lifecycle Mgmt-Infra Prgrm 2026	957,412	1,042,508	(1,990,462)
96828927	Lifecycle Mgmt-Infra Prgrm 2027	-	218,825	(218,825)
96828946	Tech Adv-Future Cap Program 2026	-	493,719	(493,719)
96828947	Tech Adv-Future Cap Program 2027	-	1,288,769	(1,288,769)
96828957	Enhance Auth Modern Ph 1 2027	-	448,976	(448,976)
96828965	Tibco Platform Upg 2025	207,784	846,045	(1,050,074)
96828966	Blue Snow ELA 2026	77,232	-	(77,039)
96828967	VMware Cloud Found Dev 2027	-	250,294	(250,294)
96829026	Telecom-New Capabilities Prgrm 2026	6,878	1,400,721	(1,407,566)
96829057	Gartner Support Contracts 2027	-	383,313	(383,313)
96829066	SigmaFlow Upg 2026	-	260,823	(260,823)
96829067	Threat Exp Mgmt Mod Ph 1 2027	-	350,198	(350,198)
96829068	Optiv Saviynt True Up 2028	-	28,722	(28,722)
96829127	Cisco Security ELA 2027	-	7,800,987	(7,800,987)

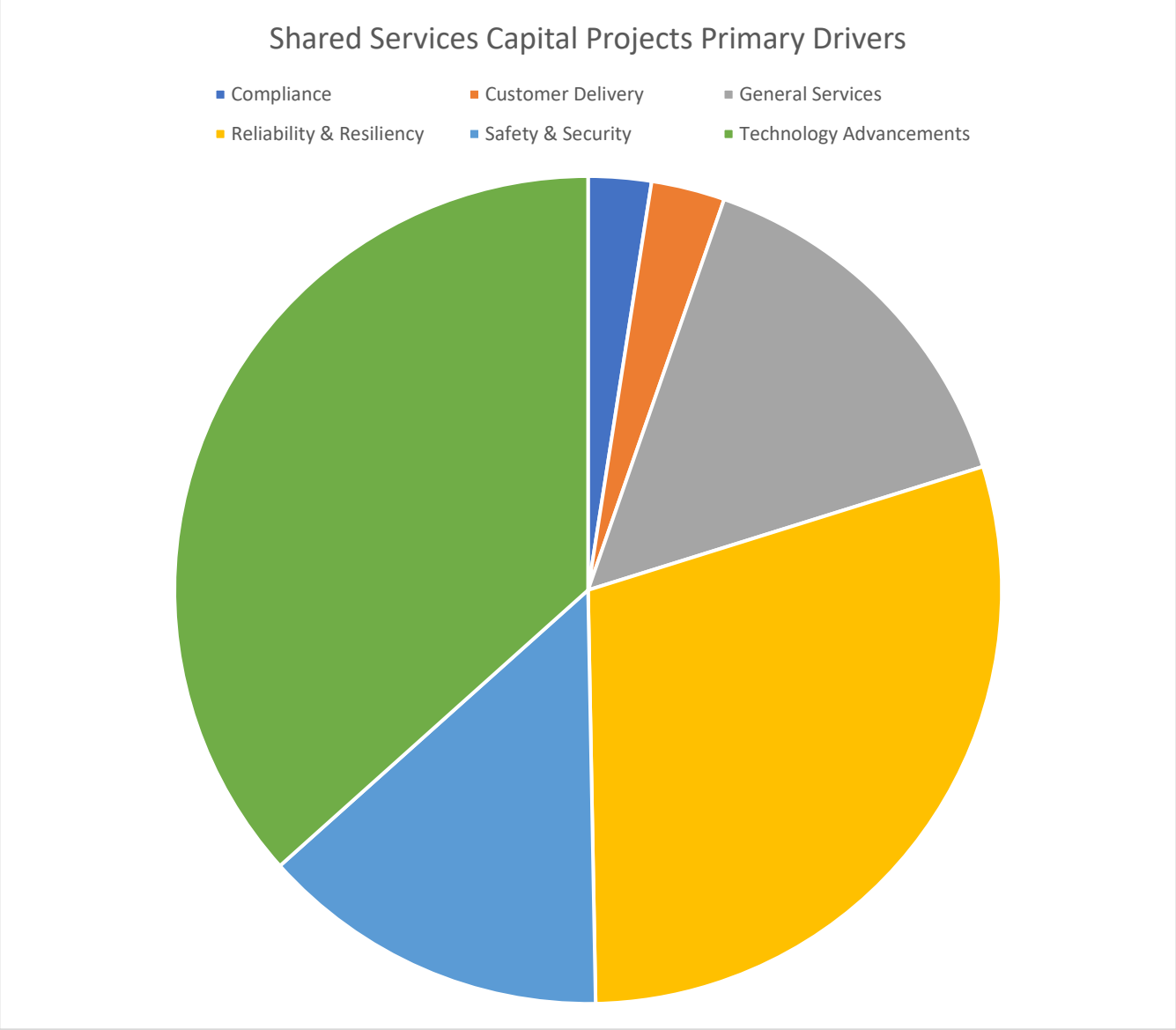
Table of Contents

Project #	Project Name	Net BegBal-Jul-26	Costs 7/26-9/28	Clearings 7/26-9/28
96829146	Ent Firewall Renewal 2026	-	795,741	(795,741)
96829157	Lewisville Network Refresh 2027	-	350,742	(350,742)
96829228	NetApp Banner Storage ELA 2028	-	273,599	(273,599)
96829247	Broadcom ELA 2027	-	10,000,000	(10,000,000)
96829257	Lewisville Load Balancer F5 2027	-	224,546	(224,546)
96829266	Web App Mod Prog 2026	-	159,936	(159,936)
96829348	Pathlock ELA 2028	-	152,108	(152,108)
96829357	Lewisville Sec Stack Modern 2027	-	300,095	(300,095)
96829358	Fortress ELA 2028	-	439,824	(439,824)
96829367	CPR Crisis Resilience 2027	-	150,226	(150,226)
96829427	Splunk IT Core Enterprise ELA 2027	-	4,968,674	(4,968,674)
96829446	CPR Corp Security 2026	260,775	536,962	(794,877)
96829447	CPR Corp Security 2027	-	749,579	(749,579)
96829457	Network Perim File Threat 2027	-	1,202,494	(1,202,494)
96829527	eDOCS DM Tech Stack Upgrade 2027	-	1,302,177	(1,302,177)
96829557	Network Sec Infra Auto 2027	-	100,443	(100,443)
96829627	Tanium ELA 2027	-	498,702	(498,702)
96829628	Oracle ELA 2028	-	9,920,826	(9,920,826)
96829646	CPR Telecom Blanket 2026	300,102	652,965	(950,883)
96829647	CPR Telecom Blanket 2027	-	1,250,031	(1,250,031)
96829666	Microsoft CSP ELA and Azure 2026	-	1,507,644	(1,507,644)
96829728	ServiceNow ELA 2028	-	5,640,099	(5,640,099)
96829757	Traka ELA 2027	-	69,223	(69,223)
96829766	Enterprise Data Storage Refr 2026	59,448	1,632,695	(1,691,966)
96829827	Infoblox ELA 2027	-	346,972	(346,972)
96829845	DFIN Collaboration ELA 2026	-	1,991,258	(1,991,258)
96829857	Privil Sys Session Mgmt Ph 1 2027	-	380,090	(380,090)
96829926	Security Video System 2026	-	300,457	(300,457)
96829957	RSM Qualys Portal PCI Scans 2027	-	69,736	(69,736)
96829966	Identity Access Mgmt (IAM) 2026	1,896,905	948,026	(2,823,503)
96830526	Data Center Cooling Towers Repl	-	499,699	(499,699)
96831007	Gen Svcs Maint Blankt - Data Center	-	875,992	(875,992)
96834157	DC Server HW Ref 2027	-	200,080	(200,080)
97130526	TXNM Farmington Office	923,396	1,741,899	(2,662,745)
97131007	Gen Svcs Maint Blanket - Farmington	-	50,000	(50,000)
97230725	Masthead HVAC RTU Replacement	87,709	-	(82,014)
97231007	Gen Svcs Maint Blanket- Masthead	-	50,000	(50,000)
97728026	Phys Sec New Cap Prog 2026	-	230,168	(230,168)
97728027	Phys Sec New Cap Prog 2027	-	799,255	(799,255)
97728128	C Cure ELA 2027	-	119,691	(119,691)
97730524	General Bldg and MRF Upgrades	-	6,992,010	(6,992,010)
97730525	Employee Parking Elevator Rebuilds	158,300	410,110	(565,177)
97730526	HQ Cooling Towers Replacement	-	500,047	(500,047)
97730625	HQ Chillers Replacement	128,128	-	(94,380)
97731007	Gen Svcs Bldg Maint Blanket - Corp	158,940	5,667,418	(5,829,065)
98628124	EAM Modernization	19,134,997	15,166,685	(33,801,538)
Total		**38,491,375**	**158,715,257**	**(195,452,473)**

Table of Contents

Projects forecasted to have less than $25,000 in absolute value in clearings during July 2026-September 2028

Project #	Project Name	Clearings 7/26-9/28
96828224	MS SharePoint Upgrade 2025	(1,748)
96828226	MS Enterprise License Agrmt 2026	23,064
96828525	CPR PCs 2025	3
96829866	Cognos Upgrade 2026	1,438
97734126	Security Mitigation Program 2026	(17,053)
Total		**5,704**



Primary Driver	Project #	Project Name	Clearings 7/26-9/28
Compliance	65028040	FERC 881	(773,311)
Compliance	94128026	NERC CIP Program-2026	(47,731)
Compliance	94128425	NERC GRC Software 2025	(546,948)
Compliance	94128528	Fortra FIM Tripwire ELA 2028	(986,337)
Compliance	95128146	CPR OT Assets Annual Refresh 2026	(983,282)
Compliance	95128147	CPR OT Assets Annual Refresh 2027	(993,667)
Compliance	96828046	ZenGRC ELA 2026	(223,456)
Compliance	96829066	SigmaFlow Upg 2026	(260,823)
Customer Delivery	09128026	Customer Experience Program 2026	(709,228)
Customer Delivery	09128027	Customer Experience Program 2027	(102,109)
Customer Delivery	09128127	Liferay & PNM.com Platform Upg 2027	(1,069,486)
Customer Delivery	09128326	Customer Comm CANSPAM Pref 2026	(37,126)
Customer Delivery	09128327	New Customer Comm Platform 2027	(1,999,248)
Customer Delivery	09128725	NICE InContact Program	(1,557,408)
Customer Delivery	95128127	ColdFusion Upg 2027	(149,425)
General Services	10030526	ESC Line Truck Barn Replacement	(1,212,510)
General Services	10031922	Gen Svcs Bldg Maint Blanket-Distr	(2,231,393)

Primary Driver	Project #	Project Name	Clearings 7/26-9/28
General Services	10034007	ABQ Metro 2010 Tools & Equipment	(574,909)
General Services	10034012	Tech Services Distribution Tools	(396,120)
General Services	15034011	Southern Tools & Equipment	(295,966)
General Services	20030526	Deming Station Roof Repair	(204,711)
General Services	35730526	2026 Aztec Building A Contingency	(94,678)
General Services	35730527	2027 Aztec Building A Contingency	(94,538)
General Services	35730528	2028 Aztec Building A Contingency	(546,625)
General Services	35732026	Aztec A 2nd Floor Workstations	(111,092)
General Services	41030526	Santa Fe Cooling Tower Replacement	(386,198)
General Services	41034007	Tools & Equipment	(447,167)
General Services	60030022	Spec Equip and Vehicles Co1	(718,958)
General Services	60030526	Las Vegas Office ADA Ramp	(106,653)
General Services	60034022	Fleet Tool Blanket	(67,368)
General Services	65031922	Gen Svcs Bldg Maint Blanket-Trans	(198,680)
General Services	65034010	Co2 Tools & Equipment	(394,574)
General Services	65034012	TECH SERVICE TRANSMISSION TOOLS	(616,322)
General Services	91128325	Treasury Management System	(620,935)
General Services	96829845	DFIN Collaboration ELA 2026	(1,991,258)
General Services	96831007	Gen Svcs Maint Blankt - Data Center	(875,992)
General Services	97130526	TXNM Farmington Office	(2,662,745)
General Services	97131007	Gen Svcs Maint Blanket - Farmington	(50,000)
General Services	97230725	Masthead HVAC RTU Replacement	(82,014)
General Services	97231007	Gen Svcs Maint Blanket- Masthead	(50,000)
General Services	97730524	General Bldg and MRF Upgrades	(6,992,010)
General Services	97730525	Employee Parking Elevator Rebuilds	(565,177)
General Services	97730526	HQ Cooling Towers Replacement	(500,047)
General Services	97730625	HQ Chillers Replacement	(94,380)
General Services	97731007	Gen Svcs Bldg Maint Blanket - Corp	(5,829,065)
Reliability & Resiliency	09328026	ETRM Data Svcs Implement 2026	(115,603)
Reliability & Resiliency	64830023	Spec Equip and Vehicles Co2	(633,797)
Reliability & Resiliency	65028126	NERC PRC-027 CORE Software	(2,210,190)
Reliability & Resiliency	65030610	Communications Equipment-blanket	(574,973)
Reliability & Resiliency	70028025	Enterprise Investment Optimization	2,338,896
Reliability & Resiliency	73128224	Extended Day Ahead Market-EDAM 2025	(15,235,249)
Reliability & Resiliency	96828047	IBM DataStage ETL Upg 2027	(202,213)
Reliability & Resiliency	96828057	3rd Party Risk Mgmt Ph 1 2027	(474,375)
Reliability & Resiliency	96828066	CrowdStrike ELA 2026	(1,594,466)
Reliability & Resiliency	96828228	CISCO SmartNet (HW) ELA 2028	(2,367,874)
Reliability & Resiliency	96828247	Disaster Recovery Refresh (HW) 2027	(1,989,166)
Reliability & Resiliency	96828357	CUCM Upgrade 2027	(308,120)
Reliability & Resiliency	96828367	Service Suite Upg 2027	(999,738)
Reliability & Resiliency	96828425	CPR Servers Storage 2025	(28,000)
Reliability & Resiliency	96828426	CPR Servers Storage 2026	(1,242,139)
Reliability & Resiliency	96828427	CPR Servers Storage 2027	(1,613,723)
Reliability & Resiliency	96828457	DC OS Lifecycle Mgmt 2027	(75,058)
Reliability & Resiliency	96828526	CPR PCs 2026	(1,477,194)
Reliability & Resiliency	96828527	CPR PCs 2027	(1,499,771)
Reliability & Resiliency	96828548	Dark Trace ELA 2028	(817,342)
Reliability & Resiliency	96828567	Shadow IT Alerting and ID Ph 1 2027	(380,090)
Reliability & Resiliency	96828657	DC Storage Backup Modern 2027	(150,192)
Reliability & Resiliency	96828748	Adobe Licensing Agreement 2028	(792,489)
Reliability & Resiliency	96828767	TDM Decommissioning 2027	(500,314)
Reliability & Resiliency	96828786	Gigamon Co-Termed ELA 2026	(570,943)
Reliability & Resiliency	96828867	Texas Internet Egress via BGP 2027	(149,801)

Primary Driver	Project #	Project Name	Clearings 7/26-9/28
Reliability & Resiliency	96829157	Lewisville Network Refresh 2027	(350,742)
Reliability & Resiliency	96829228	NetApp Banner Storage ELA 2028	(273,599)
Reliability & Resiliency	96829247	Broadcom ELA 2027	(10,000,000)
Reliability & Resiliency	96829257	Lewisville Load Balancer F5 2027	(224,546)
Reliability & Resiliency	96829367	CPR Crisis Resilience 2027	(150,226)
Reliability & Resiliency	96829527	eDOCS DM Tech Stack Upgrade 2027	(1,302,177)
Reliability & Resiliency	96829646	CPR Telecom Blanket 2026	(950,883)
Reliability & Resiliency	96829647	CPR Telecom Blanket 2027	(1,250,031)
Reliability & Resiliency	96829666	Microsoft CSP ELA and Azure 2026	(1,507,644)
Reliability & Resiliency	96829728	ServiceNow ELA 2028	(5,640,099)
Reliability & Resiliency	96829766	Enterprise Data Storage Refr 2026	(1,691,966)
Reliability & Resiliency	96830526	Data Center Cooling Towers Repl	(499,699)
Reliability & Resiliency	96834157	DC Server HW Ref 2027	(200,080)
Safety & Security	96828067	Segmentation Network and ACI 2027	(199,921)
Safety & Security	96828086	Network Access Control (NAC) 2026	(84,232)
Safety & Security	96828157	AI Detect and Correl Ph 1 2027	(457,231)
Safety & Security	96828167	Segmentation NSX 2027	(500,095)
Safety & Security	96828257	Agentic AI SOC 2027	(299,279)
Safety & Security	96828286	Security Mitigation Program 2026	(2,821,682)
Safety & Security	96828646	CPR Cybersecurity 2026	(797,566)
Safety & Security	96828647	CPR Cybersecurity 2027	(1,545,434)
Safety & Security	96828666	Dataminr Cyber ELA 2026	(251,520)
Safety & Security	96828667	System Process App Seg Ph 1 2027	(450,078)
Safety & Security	96828757	Email Resil Modern Sec Ph 1 2027	(239,032)
Safety & Security	96828857	Endpoint Hardening Ph 1 2027	(345,280)
Safety & Security	96828957	Enhance Auth Modern Ph 1 2027	(448,976)
Safety & Security	96828966	Blue Snow ELA 2026	(77,039)
Safety & Security	96829067	Threat Exp Mgmt Mod Ph 1 2027	(350,198)
Safety & Security	96829068	Optiv Saviynt True Up 2028	(28,722)
Safety & Security	96829127	Cisco Security ELA 2027	(7,800,987)
Safety & Security	96829146	Ent Firewall Renewal 2026	(795,741)
Safety & Security	96829357	Lewisville Sec Stack Modern 2027	(300,095)
Safety & Security	96829358	Fortress ELA 2028	(439,824)
Safety & Security	96829446	CPR Corp Security 2026	(794,877)
Safety & Security	96829447	CPR Corp Security 2027	(749,579)
Safety & Security	96829457	Network Perim File Threat 2027	(1,202,494)
Safety & Security	96829557	Network Sec Infra Auto 2027	(100,443)
Safety & Security	96829627	Tanium ELA 2027	(498,702)
Safety & Security	96829757	Traka ELA 2027	(69,223)
Safety & Security	96829827	Infoblox ELA 2027	(346,972)
Safety & Security	96829857	Privil Sys Session Mgmt Ph 1 2027	(380,090)
Safety & Security	96829926	Security Video System 2026	(300,457)
Safety & Security	96829957	RSM Qualys Portal PCI Scans 2027	(69,736)
Safety & Security	96829966	Identity Access Mgmt (IAM) 2026	(2,823,503)
Safety & Security	97728026	Phys Sec New Cap Prog 2026	(230,168)
Safety & Security	97728027	Phys Sec New Cap Prog 2027	(799,255)
Safety & Security	97728128	C Cure ELA 2027	(119,691)
Technology Advancements	10030610	Communication and Equipment Blanket	(188,032)
Technology Advancements	70028224	Documentation System Upgrades	(131,747)
Technology Advancements	70028227	Data Historian SoftwareLicense 2027	(1,983,991)
Technology Advancements	70028327	Adv Analytics Process Mgmt SEEQ 27	(882,494)
Technology Advancements	94128120	ArcFM Upgrade to Utility Network	(2,741,528)
Technology Advancements	94128328	NERC CIP GRC ELA 2028	(545,129)
Technology Advancements	96828145	Corporate Applications Prog 2025	(217,029)

Primary Driver	Project #	Project Name	Clearings 7/26-9/28
Technology Advancements	**96828267**	**VMware vRealize ELA 2027**	(1,980,218)
Technology Advancements	**96828346**	**Corporate Applications Prog 2026**	(820,516)
Technology Advancements	**96828347**	**Corporate Applications Prog 2027**	(199,298)
Technology Advancements	**96828386**	**AI Program 2026**	(2,594,694)
Technology Advancements	**96828387**	**AI Program 2027**	(2,974,150)
Technology Advancements	**96828846**	**Infrast-New Capabilities Prgrm 2026**	(232,133)
Technology Advancements	**96828926**	**Lifecycle Mgmt-Infra Prgrm 2026**	(1,990,462)
Technology Advancements	**96828927**	**Lifecycle Mgmt-Infra Prgrm 2027**	(218,825)
Technology Advancements	**96828946**	**Tech Adv-Future Cap Program 2026**	(493,719)
Technology Advancements	**96828947**	**Tech Adv-Future Cap Program 2027**	(1,288,769)
Technology Advancements	**96828965**	**Tibco Platform Upg 2025**	(1,050,074)
Technology Advancements	**96828967**	**VMware Cloud Found Dev 2027**	(250,294)
Technology Advancements	**96829026**	**Telecom-New Capabilities Prgrm 2026**	(1,407,566)
Technology Advancements	**96829057**	**Gartner Support Contracts 2027**	(383,313)
Technology Advancements	**96829266**	**Web App Mod Prog 2026**	(159,936)
Technology Advancements	**96829348**	**Pathlock ELA 2028**	(152,108)
Technology Advancements	**96829427**	**Splunk IT Core Enterprise ELA 2027**	(4,968,674)
Technology Advancements	**96829628**	**Oracle ELA 2028**	(9,920,826)
Technology Advancements	**98628124**	**EAM Modernization**	(33,801,538)
Grand Total			**(195,452,473)**

Driver	Percentage	Amount
Compliance	2.46%	(4,815,555)
Customer Delivery	2.88%	(5,624,030)
General Services	14.84%	(29,012,086)
Reliability & Resiliency	29.52%	(57,705,616)
Safety & Security	13.67%	(26,718,121)
Technology Advancements	36.62%	(71,577,066)
	100.00%	(195,452,473)

Project No: 09128026 Customer Experience Program 2026

Company: 001 Electric Services
Location: 091 BTS Projects - PNM Electric

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/13/2026

Description

The annual Customer Experience Program incorporates one or more projects that enhance PNMR's customer service systems and billing products, and improves reporting capabilities. These enhancements and upgrades are typically identified throughout the year by PNMR's Customer Care employees and are focused on increasing efficiency, ensuring compliance with regulatory requirements, or improving the security of the systems. These projects focus on systems and tools other than the main Banner Customer Information System, which has its own dedicated projects and blankets. Example projects under this program include implementation of improvements to the Banner Customer Information System and revenue processing platforms. This project includes enhancements and upgrades performed in 2026.

Project No: 09128026 Customer Experience Program 2026

Project Need Justification

Customer expectations, regulatory requirements, cybersecurity considerations, and evolving business processes require periodic upgrades and enhancements to the applications used by Customer Care personnel. The Customer Experience Program 2026 provides funding for prioritized improvements to customer-facing systems, billing support applications, revenue processing tools, reporting platforms, and related technologies that support customer service operations. Planned enhancements may include functionality improvements, security updates, workflow automation, reporting enhancements, and application upgrades necessary to maintain vendor support and operational effectiveness. Without continued investment, aging customer service technologies may become more difficult to support, less efficient for employees to use, and less capable of meeting evolving customer and regulatory expectations.

Project No: **09128026** **Customer Experience Program 2026**

Project Alternatives

Alternative 1) Do nothing and continue operating customer service systems without implementing planned enhancements or upgrades. This approach may increase operational inefficiencies, reduce the organization's ability to respond to changing business requirements, and result in aging applications becoming more difficult to maintain and support. Delaying improvements may also limit opportunities to improve employee productivity, customer response times, and system security.

Alternative 2) Implement only those enhancements required to address immediate operational or regulatory concerns. While this approach may reduce short-term expenditures, it may defer improvements that increase efficiency, improve reporting capabilities, strengthen security controls, and enhance the overall customer experience.

Project No: **09128026** **Customer Experience Program 2026**

Project Estimate Approach	Cost estimates are provided by subject matter experts from PNMR's IT Customer Services Support Team. Anticipated costs are based on historical information from past projects with similar scope.

Project No: **09128026** **Customer Experience Program 2026**

Customer Benefit

Customers benefit from continued improvements to the systems and processes used to support billing, account management, service requests, and customer interactions. Projects funded through the Customer Experience Program may improve reporting capabilities, streamline customer service workflows, enhance application performance, strengthen cybersecurity protections, and support compliance with regulatory requirements. These enhancements enable Customer Care personnel to respond more efficiently to customer inquiries, improve service quality, and provide a more reliable and effective customer experience. Continued modernization of customer support technologies also helps ensure that customer-facing systems remain secure, supportable, and capable of meeting evolving customer needs.

Project No: 09128026 Customer Experience Program 2026

Primary Value Driver	Customer Delivery
Compliance	
Customer Delivery	Continued upgrade and modernization of PNMR's customer service systems allows the company to more effectively meet customers' evolving service needs and expectations.
Energy Transition	

Project No: **09128026** **Customer Experience Program 2026**

General Services

Reliability & Resiliency

Continued upgrade and modernization of PNMR's customer service systems allows the company to more effectively meet customers' evolving service needs and expectations.

Safety & Security

Technology Advancements

Project No: 09128026 Customer Experience Program 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	17,136	4,167	4,167	4,167	4,167	4,167	4,167	42,136
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	4,167	4,167	4,167	4,167	4,167	4,167	25,000
370: Outside Services	97,755	16,667	16,667	16,667	16,667	16,667	16,667	197,755
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	13,200	-	-	-	-	-	-	13,200
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,131	567	675	779	905	1,013	1,892	6,963
610: Expenses - General	19	-	-	-	-	-	400,000	400,019
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,306	318	318	318	318	318	318	3,211
914: Pension and Benefits	3,136	775	775	775	775	775	775	7,788
915: Injuries and Damages	3,393	825	825	825	825	825	825	8,343
921: Stores Load	247	950	950	950	950	950	950	5,944
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(709,228)	(709,228)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	137,324	28,434	28,543	28,647	28,772	28,880	(279,469)	1,131

Project No: **09128026** **Customer Experience Program 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	42,136	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	25,000	-	-	-	-	-	-
370: Outside Services	197,755	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	13,200	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	6,963	-	-	-	-	-	-
610: Expenses - General	400,019	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	3,211	-	-	-	-	-	-
914: Pension and Benefits	7,788	-	-	-	-	-	-
915: Injuries and Damages	8,343	-	-	-	-	-	-
921: Stores Load	5,944	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(709,228)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	1,131	-	-	-	-	-	-

Project No: **09128026** **Customer Experience Program 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	42,136
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	25,000
370: Outside Services	-	-	-	197,755
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	13,200
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	6,963
610: Expenses - General	-	-	-	400,019
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	3,211
914: Pension and Benefits	-	-	-	7,788
915: Injuries and Damages	-	-	-	8,343
921: Stores Load	-	-	-	5,944
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(709,228)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	1,131

Project No: 09128026 Customer Experience Program 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	42,136	-	-	-	42,136	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	25,000	-	-	-	25,000	-	-	-
370: Outside Services	197,755	-	-	-	197,755	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	13,200	-	-	-	13,200	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	6,963	-	-	-	6,963	-	-	-
610: Expenses - General	400,019	-	-	-	400,019	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	3,211	-	-	-	3,211	-	-	-
914: Pension and Benefits	7,788	-	-	-	7,788	-	-	-
915: Injuries and Damages	8,343	-	-	-	8,343	-	-	-
921: Stores Load	5,944	-	-	-	5,944	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(709,228)	-	-	-	(709,228)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,131	-	-	-	1,131	-	-	-

Project No: 09128026 Customer Experience Program 2026

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	42,136
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	25,000
370: Outside Services	-	-	-	-	-	-	197,755
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	13,200
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	6,963
610: Expenses - General	-	-	-	-	-	-	400,019
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	3,211
914: Pension and Benefits	-	-	-	-	-	-	7,788
915: Injuries and Damages	-	-	-	-	-	-	8,343
921: Stores Load	-	-	-	-	-	-	5,944
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(709,228)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	1,131

Project No: 09128027 Customer Experience Program 2027

Company: 001 Electric Services
Location: 091 BTS Projects - PNM Electric

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The annual Customer Experience Program incorporates one or more projects that enhance PNMR's customer service systems and billing products, and improves reporting capabilities. These enhancements and upgrades are typically identified throughout the year by PNMR's Customer Care employees and are focused on increasing efficiency, ensuring compliance with regulatory requirements, or improving the security of the systems. These projects focus on systems and tools other than the main Banner Customer Information System, which has its own dedicated projects and blankets. Example projects under this program include preparation for replacement of the Banner Customer Information System. This project includes enhancements and upgrades performed in 2027.

Project No: 09128027 Customer Experience Program 2027

Project Need Justification

Customer service technologies require ongoing upgrades and enhancements to remain secure, efficient, and capable of supporting evolving business and regulatory requirements. The Customer Experience Program 2027 provides funding for improvements to customer service applications, billing-related support systems, reporting platforms, and technologies that support Customer Care operations outside of the core Banner Customer Information System. Planned activities may include enhancements necessary to support future Banner replacement initiatives, improvements to customer support workflows, reporting and analytics capabilities, cybersecurity updates, and modifications needed to maintain vendor support and regulatory compliance. Without continued investment, aging customer service technologies may become less efficient, more costly to support, and less effective at meeting the needs of customers and Customer Care personnel.

Project No: **09128027** **Customer Experience Program 2027**

Project Alternatives

Alternative 1) Do nothing and defer planned improvements to customer service technologies and supporting systems. This approach would allow existing applications to continue operating; however, it may increase operational inefficiencies, delay needed security and compliance updates, and limit the organization's ability to prepare for future customer system modernization efforts. Over time, unsupported or outdated technologies could negatively impact the effectiveness of Customer Care operations.

Alternative 2) Implement only those enhancements required to address immediate operational or compliance needs. While this approach may reduce near-term expenditures, it would defer improvements that increase efficiency, improve reporting capabilities, strengthen system security, and support future customer system initiatives

Project No: **09128027** **Customer Experience Program 2027**

Project Estimate Approach	Cost estimates are provided by subject matter experts from PNMR's IT Customer Services Support Team. Anticipated costs are based on historical information from past projects with similar scope.

Project No: **09128027** **Customer Experience Program 2027**

Customer Benefit	Continued upgrade and modernization of our customer service systems provides increased customer value and satisfaction by introducing new or enhanced capabilities to make fulfilling customer service needs and inquiries more efficient. For 2027, that includes advance work to replace the venerable Banner Customer Information System with a modern platform.

Project No: 09128027 Customer Experience Program 2027

Primary Value Driver	Customer Delivery
Compliance	
Customer Delivery	Continued upgrade and modernization of PNMR's customer service systems allows the company to more effectively meet customers' evolving service needs and expectations.
Energy Transition	

Project No: **09128027** **Customer Experience Program 2027**

General Services

Reliability & Resiliency

Continued upgrade and modernization of PNMR's customer service systems allows the company to more effectively meet customers' evolving service needs and expectations.

Safety & Security

Technology Advancements

Project No: 09128027 Customer Experience Program 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 09128027 Customer Experience Program 2027

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	1,364	1,364	1,364	1,364	1,364
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	909	909	909	909	909
370: Outside Services	-	-	5,455	5,455	5,455	5,455	5,455
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	16	50	83	120	154
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	113	113	113	113	113
914: Pension and Benefits	-	-	259	259	259	259	259
915: Injuries and Damages	-	-	259	259	259	259	259
921: Stores Load	-	-	152	152	152	152	152
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	8,526	8,559	8,592	8,630	8,663

Project No: **09128027** **Customer Experience Program 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	1,364	1,364	1,364	10,909
120: Overtime-General	-	-	-	-
350: Material Issues-Major	909	909	909	7,273
370: Outside Services	5,455	5,455	5,455	43,636
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	189	225	259	1,094
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	113	113	113	901
914: Pension and Benefits	259	259	259	2,072
915: Injuries and Damages	259	259	259	2,068
921: Stores Load	152	152	152	1,220
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	8,699	8,735	8,769	69,173

Project No: 09128027 Customer Experience Program 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	10,909	1,364	1,364	1,364	15,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	7,273	909	909	909	10,000	-	-	-
370: Outside Services	43,636	5,455	5,455	5,455	60,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,094	292	333	382	2,101	-	-	-
610: Expenses - General	-	-	-	6,400	6,400	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	901	113	113	113	1,239	-	-	-
914: Pension and Benefits	2,072	259	259	259	2,849	-	-	-
915: Injuries and Damages	2,068	259	259	259	2,844	-	-	-
921: Stores Load	1,220	152	152	152	1,677	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(102,109)	(102,109)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	69,173	8,802	8,843	(86,818)	-	-	-	-

Project No: 09128027 Customer Experience Program 2027

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	15,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	10,000
370: Outside Services	-	-	-	-	-	-	60,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2,101
610: Expenses - General	-	-	-	-	-	-	6,400
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	1,239
914: Pension and Benefits	-	-	-	-	-	-	2,849
915: Injuries and Damages	-	-	-	-	-	-	2,844
921: Stores Load	-	-	-	-	-	-	1,677
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(102,109)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 09128127 Liferay & PNM.com Platform Upg 2027

Company: 001 Electric Services
Location: 091 BTS Projects - PNM Electric

Project Information

County %	Bernalillo	100%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

Liferay Portal is the Internet web site framework and development tool that supports PNM.com, PNMR's main site customers visit to interact with the company on-line. Primary users of the Liferay Portal are non-technical Customer Care and Corporate Communications employees at PNMR. Liferay is supported by key third party contractor Cognizant. PNMR currently uses an older version of Liferay that requires upgrading to the latest, most secure version to mitigate potential vulnerabilities identified by PNMR's Information Technology Security team. The latest version of Liferay also brings new functions and features that will benefit both internal employees in their efforts to further develop an exceptional web experience for our customers. Upgrading the Liferay Portal to the latest current version will require refreshing the server environment that supports PNM.com, bringing the Oracle databases and the Linux operating system to the most supportable and secure versions available. The scope will also include extensive testing toe ensure screens customers view will work properly and as intended on a variety of common browsers and mobile platforms customers may use.

Project No: 09128127 Liferay & PNM.com Platform Upg 2027

Project Need Justification

PNM.com serves as PNM's primary customer-facing website and is a critical channel for customers seeking account information, utility services, outage information, billing resources, and company communications. The current version of the Liferay framework and supporting infrastructure components are approaching the end of their support lifecycle and require modernization to maintain security, reliability, and compatibility with current technology standards. The Liferay & PNM.com Platform Upgrade 2027 project includes upgrading the Liferay application framework, Oracle databases, Linux operating systems, and supporting server infrastructure to current vendor-supported versions. These upgrades are necessary to address identified cybersecurity vulnerabilities, maintain vendor support, improve platform stability, support modern browser and mobile device compatibility, and provide the technical foundation required for future customer-facing enhancements. Failure to modernize the platform on its established upgrade cycle would increase operational risk, reduce supportability, and expose customer-facing systems to evolving security threats.

Project No: **09128127 Liferay & PNM.com Platform Upg 2027**

Project Alternatives

Alternative 1) Do nothing and continue operating PNM.com on the current Liferay platform and supporting infrastructure. This approach would defer costs in the short term; however, it would increase cybersecurity risk, reduce vendor supportability, and increase the likelihood of compatibility issues with modern browsers, mobile devices, and supporting technologies as the platform ages.

Alternative 2) Replace the existing Liferay platform with a different web content management solution. While alternative platforms are available, this option would require significant redevelopment of existing functionality, substantial implementation effort, user retraining, content migration activities, and increased project costs. This alternative does not provide sufficient business value to justify the cost and complexity of a full platform replacement.

Project No: **09128127** **Liferay & PNM.com Platform Upg 2027**

Project Estimate Approach	Project cost estimates for this effort have been built on past experience with very similar upgrades.

Project No: **09128127 Liferay & PNM.com Platform Upg 2027**

Customer Benefit	Customers benefit from improvements to the reliability, security, performance, and usability of PNM's primary online service platform. Upgrading Liferay and the supporting infrastructure improves compatibility with current web browsers and mobile devices, enhances website stability, and provides a more modern foundation for future customer-facing enhancements. The upgraded platform also improves the ability to deliver enhanced online content, self-service capabilities, accessibility improvements, and more responsive digital experiences for customers interacting with PNM online. Additionally, modern security capabilities help protect customer information and reduce the risk of service disruptions impacting online customer services.

Project No: 09128127 Liferay & PNM.com Platform Upg 2027

Primary Value Driver	Customer Delivery
Compliance	
Customer Delivery	In our current world where Internet technology increasingly becomes the primary way customers interact with companies, PNMR's customers have come to expect and request leading capabilities and safety on the company's web site, PNM.com. Upgrading the Liferay development platform is the principal way PNMR helps stay on top of those expectations.
Energy Transition	

Project No: **09128127** **Liferay & PNM.com Platform Upg 2027**

General Services

Reliability & Resiliency

Customers expect that PNMR's web site is available at all times and under all conditions. Upgrading the components that underpin and support PNM.com is the primary way PNMR helps ensure these expectations are met.

Safety & Security

Technology Advancements

Project No: 09128127 Liferay & PNM.com Platform Upg 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **09128127** **Liferay & PNM.com Platform Upg 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	4,545	4,545	4,545	4,545	4,545
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	45,455	45,455	45,455	45,455	45,455
370: Outside Services	-	-	31,818	31,818	31,818	31,818	31,818
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	170	534	888	1,287	1,652
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	375	375	375	375	375
914: Pension and Benefits	-	-	863	863	863	863	863
915: Injuries and Damages	-	-	862	862	862	862	862
921: Stores Load	-	-	7,622	7,622	7,622	7,622	7,622
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	91,711	92,074	92,429	92,828	93,193

Project No: **09128127** **Liferay & PNM.com Platform Upg 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	4,545	4,545	4,545	36,364
120: Overtime-General	-	-	-	-
350: Material Issues-Major	45,455	45,455	45,455	363,636
370: Outside Services	31,818	31,818	31,818	254,545
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	2,031	2,419	2,785	11,766
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	375	375	375	3,004
914: Pension and Benefits	863	863	863	6,905
915: Injuries and Damages	862	862	862	6,895
921: Stores Load	7,622	7,622	7,622	60,975
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	93,571	93,959	94,325	744,090

Project No: 09128127 Liferay & PNM.com Platform Upg 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	36,364	4,545	4,545	4,545	50,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	363,636	45,455	45,455	45,455	500,000	-	-	-
370: Outside Services	254,545	31,818	31,818	31,818	350,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	11,766	3,144	3,581	4,049	22,541	-	-	-
610: Expenses - General	-	-	-	40,000	40,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	3,004	375	375	375	4,130	-	-	-
914: Pension and Benefits	6,905	863	863	863	9,495	-	-	-
915: Injuries and Damages	6,895	862	862	862	9,480	-	-	-
921: Stores Load	60,975	7,622	7,622	7,622	83,840	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,069,486)	(1,069,486)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	744,090	94,685	95,122	(933,896)	-	-	-	-

Project No: **09128127** **Liferay & PNM.com Platform Upg 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	50,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	500,000
370: Outside Services	-	-	-	-	-	-	350,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	22,541
610: Expenses - General	-	-	-	-	-	-	40,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,130
914: Pension and Benefits	-	-	-	-	-	-	9,495
915: Injuries and Damages	-	-	-	-	-	-	9,480
921: Stores Load	-	-	-	-	-	-	83,840
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,069,486)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 09128326 Customer Comm CANSPAM Pref 2026

Company: 001 Electric Services
Location: 091 BTS Projects - PNM Electric

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2026

Estimated Completion Date 7/31/2026

Description

Currently, customers using the company's web site at PNM.com only have the ability to opt-in or opt-out of PNM marketing communications. The Communications Department is requesting enhancements in Banner Customer Information System and PNM.com to allow customers to have more granular control over which communications they receive, as is increasingly common in many industries and frequently requested by PNM customers.

Project No: **09128326** **Customer Comm CANSPAM Pref 2026**

Project Need Justification

Upgrading PNM automated customer communications is required to respond to customer expectations that they be provided a wider range of communications options that allow them to tailor their preferences and avoid unwelcome "spam" email. Options might include the ability for customers to opt in or out of marketing, recycling, regulatory or other communications.

Project No: **09128326** **Customer Comm CANSPAM Pref 2026**

Project Alternatives

Possible alternatives to this project would be to:
(1) do nothing, which would not be responsive to customer requests;
(2) implement a new third-party communications management program, which would incur greater cost and provide PNM less control;
(3) implement a more manual approach, which would be labor intensive and not in line with current practice by other businesses with which PNM customers interact on-line.

Project No: **09128326** **Customer Comm CANSPAM Pref 2026**

Project Estimate Approach	Project estimates have been derived from a combination of key third-party developer quotes along with historical data from previous similar projects.

Project No: **09128326** **Customer Comm CANSPAM Pref 2026**

Customer Benefit	Customers benefit by having greater control over what kinds of automated email communications they receive from PNM.

Project No: 09128326 Customer Comm CANSPAM Pref 2026

Primary Value Driver: Customer Delivery

Compliance

Customer Delivery: Implementation of improvements to CANSPAM federal requirements and customer expectations improve customers' feelings of control over their interactions with PNM and limit complaints PNM may be required to field given limitations of the current CANSPAM protocol.

Energy Transition

Project No: **09128326** **Customer Comm CANSPAM Pref 2026**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Project No: 09128326 Customer Comm CANSPAM Pref 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	5,000	-	-	-	-	-	5,000
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	1,429	-	-	-	-	-	1,429
370: Outside Services	-	15,000	-	-	-	-	-	15,000
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	70	-	-	-	-	-	70
610: Expenses - General	-	13,000	-	-	-	-	-	13,000
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	381	-	-	-	-	-	381
914: Pension and Benefits	-	931	-	-	-	-	-	931
915: Injuries and Damages	-	990	-	-	-	-	-	990
921: Stores Load	-	326	-	-	-	-	-	326
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	(37,126)	-	-	-	-	-	(37,126)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **09128326** **Customer Comm CANSPAM Pref 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	5,000	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	1,429	-	-	-	-	-	-
370: Outside Services	15,000	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	70	-	-	-	-	-	-
610: Expenses - General	13,000	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	381	-	-	-	-	-	-
914: Pension and Benefits	931	-	-	-	-	-	-
915: Injuries and Damages	990	-	-	-	-	-	-
921: Stores Load	326	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(37,126)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **09128326** **Customer Comm CANSPAM Pref 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	5,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	1,429
370: Outside Services	-	-	-	15,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	70
610: Expenses - General	-	-	-	13,000
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	381
914: Pension and Benefits	-	-	-	931
915: Injuries and Damages	-	-	-	990
921: Stores Load	-	-	-	326
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(37,126)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 09128326 Customer Comm CANSPAM Pref 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	5,000	-	-	-	5,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,429	-	-	-	1,429	-	-	-
370: Outside Services	15,000	-	-	-	15,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	70	-	-	-	70	-	-	-
610: Expenses - General	13,000	-	-	-	13,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	381	-	-	-	381	-	-	-
914: Pension and Benefits	931	-	-	-	931	-	-	-
915: Injuries and Damages	990	-	-	-	990	-	-	-
921: Stores Load	326	-	-	-	326	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(37,126)	-	-	-	(37,126)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **09128326** **Customer Comm CANSPAM Pref 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	5,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	1,429
370: Outside Services	-	-	-	-	-	-	15,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	70
610: Expenses - General	-	-	-	-	-	-	13,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	381
914: Pension and Benefits	-	-	-	-	-	-	931
915: Injuries and Damages	-	-	-	-	-	-	990
921: Stores Load	-	-	-	-	-	-	326
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(37,126)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 09128327 New Customer Comm Platform 2027

Company: 001 Electric Services
Location: 091 BTS Projects - PNM Electric

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2027

Estimated Completion Date 12/31/2027

Description

The New Customer Communications Platform 2027 project replaces PNM's current customer communications environment, which today consists of multiple interconnected systems including customer notification subscription functionality within PNM.com, custom communication preference and notification management modules within the Banner Customer Information System (CIS), and the NICE InContact Personal Connection (PC) platform used to deliver voice, email, and text notifications. The Personal Connection module has reached end-of-life and no longer meets PNM's growing customer communication requirements.

Following an evaluation of available solutions, PNM assessed replacement offerings including NICE SmartReach and KUBRA Notifi. The project is expected to implement a modern customer communications platform, with KUBRA Notifi identified as the preferred long-term solution due to its capabilities for customer notification management, outage communications, billing alerts, preference management, and support for high-volume utility communications. The new platform will centralize subscription management, customer communication preferences, and multi-channel communications while providing improved scalability, reliability, reporting, disaster recovery capabilities, and support for future Grid Modernization initiatives.

Project No: 09128327 New Customer Comm Platform 2027

Project Need Justification

PNM's current customer communications platform relies on multiple legacy systems that have become increasingly difficult to maintain, scale, and enhance. Customer communication functions are currently distributed across PNM.com, custom Banner CIS modules, and the NICE InContact Personal Connection platform, creating operational complexity and limiting the organization's ability to efficiently manage customer notifications. The Personal Connection module has reached end-of-life, technical support has become increasingly limited, and the platform struggles to support growing communication volume requirements associated with Public Safety Power Shutoff (PSPS) notifications, load-management communications, outage-related messaging, and other large-scale customer communications initiatives.

In addition, PNM is preparing for future replacement of the Banner Customer Information System, requiring eventual replacement of the communication management functions that currently reside within Banner. New Grid Modernization initiatives, including mobile application push notifications, enhanced outage communications capabilities, and future ADMS-related customer communications, require functionality that is not readily supported by the existing environment. A modern communications platform is necessary to consolidate communication management functions, improve system supportability, provide high availability and disaster recovery capabilities, support future business initiatives, and ensure the organization can efficiently deliver timely communications to customers during routine and emergency events.

Project No: **09128327** **New Customer Comm Platform 2027**

Project Alternatives

1. Do nothing. PNM would continue to see an increasing gap between current capabilities and modern customer expectations while Customer Service and Communications staff continue to either make do or struggle to attempt to make the current system do things it was not designed to do.
2. Replace the current outmoded system with a new, state-of-the-art communications platform that meets customer expectations and allows Customer Service and Communications staff to perform their work as creatively and efficiently as possible.

Project No: **09128327** **New Customer Comm Platform 2027**

Project Estimate Approach	Project costs have been estimated based on vendor quotes with appropriate discounts and minimal allowable overhead, combined with estimates for internal labor based on past projects of similar scale.

Project No: **09128327** **New Customer Comm Platform 2027**

Customer Benefit

Customers benefit from faster, more reliable, and more consistent communications across multiple channels including text messages, email, voice notifications, mobile application alerts, outage communications, and other customer notifications. The new platform will improve customer preference management, allowing customers greater flexibility in how they receive notifications and alerts. It will also provide enhanced support for large-scale communications associated with outage events, Public Safety Power Shutoff notifications, emergency load-management communications, and other important service-related updates.

The platform's improved scalability and automation capabilities will allow PNM to deliver high volumes of customer communications more efficiently during critical events while providing stronger reliability and disaster recovery capabilities. Customers will also benefit from future enhancements enabled by Grid Modernization investments, including expanded mobile application notifications, improved outage communications, and more personalized engagement options. By consolidating customer communications into a centralized, utility-focused platform, PNM will be better positioned to provide timely, accurate, and accessible information that improves the overall customer experience.

Project No: 09128327 New Customer Comm Platform 2027

Primary Value Driver: Customer Delivery

Compliance

Customer Delivery: In our current world where Internet technology increasingly becomes the primary way customers interact with companies, PNM's customers have come to expect and request leading communications capabilities. Replacing the current inadequate legacy communications platform will effectively help meet customer expectations while increasing work productivity for staff, reducing cost.

Energy Transition

Project No: **09128327** **New Customer Comm Platform 2027**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Project No: 09128327 New Customer Comm Platform 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 09128327 New Customer Comm Platform 2027

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	15,000	15,000	15,000	15,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	250,000	-
370: Outside Services	-	-	-	110,000	110,000	110,000	110,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	256	767	1,906	3,013
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	1,239	1,239	1,239	1,239
914: Pension and Benefits	-	-	-	2,849	2,849	2,849	2,849
915: Injuries and Damages	-	-	-	2,844	2,844	2,844	2,844
921: Stores Load	-	-	-	-	-	41,920	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	132,188	132,698	425,758	134,945

Project No: **09128327** **New Customer Comm Platform 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	15,000	15,000	15,000	105,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	250,000	-	500,000
370: Outside Services	110,000	110,000	110,000	770,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	3,564	4,716	5,828	20,051
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	1,239	1,239	1,239	8,673
914: Pension and Benefits	2,849	2,849	2,849	19,940
915: Injuries and Damages	2,844	2,844	2,844	19,908
921: Stores Load	-	41,920	-	83,840
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	135,496	428,568	137,759	1,527,411

Project No: 09128327 New Customer Comm Platform 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	105,000	15,000	15,000	15,000	150,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	500,000	-	-	-	500,000	-	-	-
370: Outside Services	770,000	110,000	110,000	110,000	1,100,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	20,051	6,343	7,011	7,688	41,093	-	-	-
610: Expenses - General	-	-	-	55,000	55,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	8,673	1,239	1,239	1,239	12,390	-	-	-
914: Pension and Benefits	19,940	2,849	2,849	2,849	28,485	-	-	-
915: Injuries and Damages	19,908	2,844	2,844	2,844	28,440	-	-	-
921: Stores Load	83,840	-	-	-	83,840	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,999,248)	(1,999,248)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,527,411	138,275	138,942	(1,804,629)	-	-	-	-

Project No: 09128327 New Customer Comm Platform 2027

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	150,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	500,000
370: Outside Services	-	-	-	-	-	-	1,100,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	41,093
610: Expenses - General	-	-	-	-	-	-	55,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	12,390
914: Pension and Benefits	-	-	-	-	-	-	28,485
915: Injuries and Damages	-	-	-	-	-	-	28,440
921: Stores Load	-	-	-	-	-	-	83,840
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,999,248)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 09128725 NICE InContact Program

Company: 001 Electric Services
Location: 091 BTS Projects - PNM Electric

Project Information

County % Bernalillo 100%

Estimated Start Date 7/30/2025

Estimated Completion Date 12/31/2027

Description

NICE InContact is utilized by the PNM Contact Center for inbound call routing, outbound calling, chat, email, and payment by phone functionality. The Contact Center takes calls for both PNM and TNMP. Its email and chat components will be at end-of-life in 2026 which presents an opportunity to improve and optimize the platform using the GenAI CoPilot (Generative Artificial Intelligence CoPilot, a Microsoft tool) and AutoPilot (proprietary NICE AI) tools to provide faster and more efficient problem resolution, knowledge management, and improve the customer experience. The program is approved from mid-2025 through 2027 and includes enterprise license renewal, system architectural changes to a cloud platform, development of a knowledge management database, implementation of agent assisted AI, and equipment refresh.

Project No: 09128725 NICE InContact Program

Project Need Justification

NICE InContact is a critical component of PNM's customer service operations, providing inbound call routing, outbound communications, web chat, email support, and payment-by-phone functionality for both PNM and TNMP customers. The platform's email and chat modules are approaching end-of-life in 2026 and must be upgraded or replaced to maintain vendor support, security, reliability, and operational effectiveness. In addition, the project includes migration to a cloud-based architecture, development of enhanced knowledge management capabilities, and implementation of modern agent assistance tools designed to improve the efficiency and consistency of customer interactions. Delaying these improvements would increase operational risk, limit the organization's ability to support evolving customer communication channels, and make future platform enhancements more difficult and costly to implement.

Project No: **09128725** **NICE InContact Program**

Project Alternatives

If PNM were to simply renew its licensing for NICE InContact without implementing AI advances and modernizing the current platform, it would be at increased risk of failing to meet customer expectations. Additionally, as customer interactions become more complex, failure to provide tools and capabilities allowing customer representatives to respond efficiently increasingly slows interactions and leads to increased risk of delivering incorrect or inadequate responses to customer needs. The capabilities of NICE InContact are a good current fit for PNM's needs so a change in provider is not warranted or cost-effective at this time.

Project No: **09128725** **NICE InContact Program**

Project Estimate Approach	Program estimates are based on a combination of vendor quotes and internal experience with projects of similar scope and scale.

Project No: **09128725** **NICE InContact Program**

Customer Benefit	Customers benefit from improvements to the systems used by Customer Care representatives to manage phone calls, email communications, web chats, and payment support interactions. Enhancements delivered through the NICE InContact Digital Optimization Program are expected to improve access to knowledge resources, provide agents with more timely and relevant information, streamline customer interaction workflows, and support more consistent handling of customer inquiries. These capabilities can help reduce response times, improve first-contact resolution opportunities, and provide customers with more effective service regardless of the communication channel they choose. The project also helps ensure that customer communication platforms remain secure, reliable, and capable of supporting evolving customer expectations and service needs.

Project No: 09128725 NICE InContact Program

Primary Value Driver	Customer Delivery
Compliance	
Customer Delivery	Continued upgrade and modernization of PNMR's customer service systems allows the company to more effectively meet customers' evolving service needs and expectations.
Energy Transition	

Project No: 09128725 NICE InContact Program

General Services

Reliability & Resiliency

Continued upgrade and modernization of PNMR's customer service systems allows the company to more effectively meet customers' evolving service needs and expectations.

Safety & Security

Technology Advancements

PNM is investing heavily in today's Artificial Intelligence advances, helping ensure it delivers on the promise of improved service delivery, reliability, and accuracy.

Project No: 09128725 NICE InContact Program

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	16,987	3,000	3,000	3,000	3,000	3,000	3,000	34,987
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	199,356	-	-	-	-	-	-	199,356
370: Outside Services	3,037	477,605	-	-	100,000	-	200,000	780,642
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	18,097	-	-	-	-	-	-	18,097
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	9,949	1,014	1,940	1,953	2,209	2,419	2,833	22,318
610: Expenses - General	3,033,016	-	-	-	-	-	-	3,033,016
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,303	229	229	229	229	229	229	2,675
914: Pension and Benefits	3,012	558	558	558	558	558	558	6,362
915: Injuries and Damages	3,382	594	594	594	594	594	594	6,946
921: Stores Load	11,643	-	-	-	-	-	-	11,643
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(3,271,895)	-	-	-	-	-	(843,848)	(4,115,743)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	27,889	483,000	6,321	6,334	106,590	6,800	(636,633)	300

Project No: 09128725 NICE InContact Program

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	34,987	15,400	12,900	12,900	12,900	12,900	12,900
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	199,356	-	-	-	-	-	-
370: Outside Services	780,642	-	-	366,359	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	18,097	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	22,318	43	119	909	1,691	1,830	1,905
610: Expenses - General	3,033,016	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	2,675	1,272	1,066	1,066	1,066	1,066	1,066
914: Pension and Benefits	6,362	2,924	2,450	2,450	2,450	2,450	2,450
915: Injuries and Damages	6,946	2,920	2,446	2,446	2,446	2,446	2,446
921: Stores Load	11,643	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(4,115,743)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	300	22,559	18,980	386,129	20,552	20,691	20,766

Project No: **09128725** **NICE InContact Program**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	12,900	12,900	12,900	153,587
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	199,356
370: Outside Services	-	-	-	1,147,001
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	18,097
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	1,995	2,091	2,166	35,067
610: Expenses - General	-	-	-	3,033,016
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	1,066	1,066	1,066	12,471
914: Pension and Benefits	2,450	2,450	2,450	28,884
915: Injuries and Damages	2,446	2,446	2,446	29,433
921: Stores Load	-	-	-	11,643
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(4,115,743)
825: Closing Cost of Removal	-	-	-	-
Project Net	20,857	20,952	21,027	552,813

Project No: 09128725 NICE InContact Program

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	153,587	12,900	12,900	11,000	190,387	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	199,356	-	-	-	199,356	-	-	-
370: Outside Services	1,147,001	-	-	-	1,147,001	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	18,097	-	-	-	18,097	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	35,067	2,237	2,361	2,644	42,309	-	-	-
610: Expenses - General	3,033,016	-	-	100,000	3,133,016	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	12,471	1,066	1,066	909	15,511	-	-	-
914: Pension and Benefits	28,884	2,450	2,450	2,089	35,872	-	-	-
915: Injuries and Damages	29,433	2,446	2,446	2,086	36,410	-	-	-
921: Stores Load	11,643	-	-	-	11,643	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(4,115,743)	-	-	(713,560)	(4,829,303)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	552,813	21,098	21,222	(594,833)	300	-	-	-

Project No: 09128725 NICE InContact Program

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	190,387
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	199,356
370: Outside Services	-	-	-	-	-	-	1,147,001
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	18,097
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	42,309
610: Expenses - General	-	-	-	-	-	-	3,133,016
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	15,511
914: Pension and Benefits	-	-	-	-	-	-	35,872
915: Injuries and Damages	-	-	-	-	-	-	36,410
921: Stores Load	-	-	-	-	-	-	11,643
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(4,829,303)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	300

Project No: 09328026 ETRM Data Svcs Implement 2026

Company: 003 Bulk Power
Location: 093 BTS Projects - PNM Generation

Project Information

County % Bernalillo 100%

Estimated Start Date 3/30/2026

Estimated Completion Date 9/30/2026

Description

PNM currently uses a system called Zema to retrieve, query, and analyze gas and power pricing details that support its power trading processes. In 2026, its vendor decided to move all its system services off-premises to cloud-based resources at nearly twice the current price. PNM has determined it has the skills, resources, and desire to save money for rate payers by creating necessary capabilities in-house using existing tools such as Denodo Data Virtualization, Tibco Integration Services, and open source scripting using tools such as Python.

Project No: 09328026 ETRM Data Svcs Implement 2026

Project Need Justification

PNM currently utilizes the Zema platform to retrieve, analyze, and manage gas and power pricing information used to support energy trading and market operations. In 2026, the vendor announced a transition of these services to a cloud-hosted model at a significantly higher annual cost than the current arrangement. The ETRM Data Services Implementation project is intended to replace these vendor-provided services with internally developed capabilities built upon existing enterprise technologies, including Denodo Data Virtualization, Tibco Integration Services, and Python-based automation tools. By leveraging existing platforms and internal expertise, PNM expects to avoid future vendor cost increases while maintaining the market data services required to support trading operations. In addition to reducing long-term operating costs, the project provides greater control over data integration processes, improves flexibility for future enhancements, and reduces dependence on a third-party service provider for critical operational capabilities. The current annual cost of the vendor-hosted service is approximately $100,000 per year, while the projected annual operating cost of the internally developed solution is estimated at $50,000, resulting in anticipated annual savings of approximately $50,000 per year.

Project No: **09328026** **ETRM Data Svcs Implement 2026**

Project Alternatives

If PNM were to simply go along with the current vendor's proposed price increase, PNM would pay extra for no added value. Those licensing funds would be better utilized acquiring services critical to PNM's operational safety and security, especially when PNM has the capabilities in-house to relatively quickly create the necessary capabilities currently provided by Zema.

Project No: **09328026** **ETRM Data Svcs Implement 2026**

Project Estimate Approach

Project estimates were developed based on detailed assessments performed by PNM's Integration Services team, which has significant experience designing, developing, and supporting enterprise data integration, reporting, and application interfaces using technologies currently deployed within the organization, including Denodo, Tibco, SQL-based data services, and Python automation tools. Cost estimates incorporate anticipated internal labor requirements for solution design, development, testing, deployment, and ongoing support activities. Historical data from prior application integration, data services, and enterprise platform implementation projects was used to estimate staffing requirements, development effort, and implementation timelines. Infrastructure and software costs were derived from existing enterprise technology investments and anticipated project-specific requirements, resulting in a cost estimate grounded in both organizational experience and prior project performance.

Project No: **09328026** **ETRM Data Svcs Implement 2026**

Customer Benefit

PNM customers primarily benefit from the ETRM Data Services project by reduced costs that would otherwise be passed on to customers or that might prevent PNM from investing in other, more necessary systems and tools that cannot be created and maintained efficiently using current staff.

Project No: **09328026** **ETRM Data Svcs Implement 2026**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **09328026** **ETRM Data Svcs Implement 2026**

General Services

Reliability & Resiliency

PNM requires extensive, current data from a variety of sources to ensure the power it buys and sells is priced appropriately. Where it currently uses the Zema system to acquire and manage that data, PNM has determined that the vendor's proposed significant price increase is not worth the diversion of resources and will instead create its own capabilities to reduce price risk in energy trading.

Safety & Security

Technology Advancements

Project No: 09328026 ETRM Data Svcs Implement 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	23,988	7,200	5,300	300	-	-	-	36,788
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	11,137	2,000	2,000	2,000	-	-	-	17,137
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	636	360	406	429	-	-	-	1,831
610: Expenses - General	41,276	-	-	-	-	-	-	41,276
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,720	516	380	22	-	-	-	2,638
914: Pension and Benefits	8,382	2,516	1,852	105	-	-	-	12,854
915: Injuries and Damages	2,406	722	532	30	-	-	-	3,690
921: Stores Load	26	-	-	-	-	-	-	26
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(115,603)	-	-	-	(115,603)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	89,570	13,314	10,469	(112,718)	-	-	-	636

Project No: **09328026** **ETRM Data Svcs Implement 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	36,788	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	17,137	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	1,831	-	-	-	-	-	-
610: Expenses - General	41,276	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	2,638	-	-	-	-	-	-
914: Pension and Benefits	12,854	-	-	-	-	-	-
915: Injuries and Damages	3,690	-	-	-	-	-	-
921: Stores Load	26	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(115,603)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	636	-	-	-	-	-	-

Project No: **09328026** **ETRM Data Svcs Implement 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	36,788
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	17,137
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	1,831
610: Expenses - General	-	-	-	41,276
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	2,638
914: Pension and Benefits	-	-	-	12,854
915: Injuries and Damages	-	-	-	3,690
921: Stores Load	-	-	-	26
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(115,603)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	636

Project No: 09328026 ETRM Data Svcs Implement 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	36,788	-	-	-	36,788	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	17,137	-	-	-	17,137	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,831	-	-	-	1,831	-	-	-
610: Expenses - General	41,276	-	-	-	41,276	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,638	-	-	-	2,638	-	-	-
914: Pension and Benefits	12,854	-	-	-	12,854	-	-	-
915: Injuries and Damages	3,690	-	-	-	3,690	-	-	-
921: Stores Load	26	-	-	-	26	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(115,603)	-	-	-	(115,603)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	636	-	-	-	636	-	-	-

Project No: 09328026 ETRM Data Svcs Implement 2026

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	36,788
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	17,137
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	1,831
610: Expenses - General	-	-	-	-	-	-	41,276
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	2,638
914: Pension and Benefits	-	-	-	-	-	-	12,854
915: Injuries and Damages	-	-	-	-	-	-	3,690
921: Stores Load	-	-	-	-	-	-	26
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(115,603)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	636

Project No: 10030526 ESC Line Truck Barn Replacement

Company: 001 Electric Services
Location: 100 Albuquerque Electric Services

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

This project is for the full removal and replacement of the Truck Barn located at Electric Service Center (ESC). The damage that the structure sustained in 2024 necessitated the involvement of a structural engineer. Following the repairs, the engineer conducted an assessment and declared the structure safe for occupancy until December 2026, ensuring that it met all necessary safety standards.

Project No: 10030526 ESC Line Truck Barn Replacement

Project Need Justification

Damage caused to the structure triggered a structural engineer being involved in the repair of the truck barn. The engineer's assessment concluded the structure would need to be removed and replaced by 12/31/2026. Due to the age and condition of the structure not replacing the truck barn poses a safety risk to employees and equipment stored under the structure.

Project No: **10030526** **ESC Line Truck Barn Replacement**

Project Alternatives

The alternative to not replacing the structure is to tear it down and leave it as an open parking area. This alternative was not preferred because the structure protects the fiberglass components of PNM's bucket and line trucks from exposure to the elements. The fiberglass serves as an insulating material that helps protect personnel working on energized equipment.

Project No: **10030526** **ESC Line Truck Barn Replacement**

Project Estimate Approach	The estimate was gathered by obtaining a quote from a general contractor to remove and replace the structure.

Project No: **10030526** **ESC Line Truck Barn Replacement**

Customer Benefit

Ensuring that PNM personnel have access to safe and secure buildings that meet their operational needs is vital. This provision allows them to concentrate fully on their primary mission, which is to provide reliable and efficient service to customers. When employees work in facilities that are well-maintained and tailored to their requirements, it enhances their ability to perform tasks effectively. Additionally, a safe working environment not only boosts morale but also fosters a sense of responsibility and care among employees. Ultimately, this focus supports the overall goal of delivering high-quality service, ensuring that customers receive the best experience possible.

Project No: 10030526 ESC Line Truck Barn Replacement

Primary Value Driver	General Services
Compliance	N/A
Customer Delivery	N/A
Energy Transition	N/A

Project No: **10030526** **ESC Line Truck Barn Replacement**

General Services	Maintaining building assets by addressing safety concerns.
Reliability & Resiliency	N/A
Safety & Security	Damage to property is the driving factor for this project.
Technology Advancements	N/A

Project No: 10030526 ESC Line Truck Barn Replacement

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	61,730	-	-	-	-	-	1,087,252	1,148,982
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	186	-	-	-	-	-	-	186
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	3,531	-	-	-	-	-	56,537	60,068
928: AFUDC Debt	141	151	-	-	-	-	1,312	1,604
929: AFUDC Equity	111	161	-	-	-	-	1,398	1,670
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	(61,429)	-	-	-	-	(1,066,434)	(1,127,863)
825: Closing Cost of Removal	-	(4,581)	-	-	-	-	(80,065)	(84,647)
Project Net	65,699	(65,699)	-	-	-	-	0	0

Project No: **10030526** **ESC Line Truck Barn Replacement**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	1,148,982	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	186	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	60,068	-	-	-	-	-	-
928: AFUDC Debt	1,604	-	-	-	-	-	-
929: AFUDC Equity	1,670	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,127,863)	-	-	-	-	-	-
825: Closing Cost of Removal	(84,647)	-	-	-	-	-	-
Project Net	0	-	-	-	-	-	-

Project No: **10030526** **ESC Line Truck Barn Replacement**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	1,148,982
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	186
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	60,068
928: AFUDC Debt	-	-	-	1,604
929: AFUDC Equity	-	-	-	1,670
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,127,863)
825: Closing Cost of Removal	-	-	-	(84,647)
Project Net	-	-	-	0

Project No: 10030526 ESC Line Truck Barn Replacement

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	1,148,982	-	-	-	1,148,982	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	186	-	-	-	186	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	60,068	-	-	-	60,068	-	-	-
928: AFUDC Debt	1,604	-	-	-	1,604	-	-	-
929: AFUDC Equity	1,670	-	-	-	1,670	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,127,863)	-	-	-	(1,127,863)	-	-	-
825: Closing Cost of Removal	(84,647)	-	-	-	(84,647)	-	-	-
Project Net	0	-	-	-	0	-	-	-

Project No: **10030526** **ESC Line Truck Barn Replacement**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	1,148,982
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	186
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	60,068
928: AFUDC Debt	-	-	-	-	-	-	1,604
929: AFUDC Equity	-	-	-	-	-	-	1,670
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,127,863)
825: Closing Cost of Removal	-	-	-	-	-	-	(84,647)
Project Net	-	-	-	-	-	-	0

Project No: 10030610 Communication and Equipment Blanket

Company: 001 Electric Services
Location: 100 Albuquerque Electric Services

Project Information County % Total System 100%

Estimated Start Date 12/7/2009

Estimated Completion Date 12/31/2032

Description

This project covers all Distribution Communications capital improvement projects related to PNM Corporate Capitalization Policy 226 Capitalization. This project will provide capital funding for the replacement of aging equipment, station improvements, or system replacements as outlined under the capitalization policy. This funding directly supports system reliability and safety for PNM personnel.

Projects are identified during routine substation inspections or maintenance for replacement or modifications of an asset. Projects are prioritized based on system needs and potential vulnerability, criticality of the equipment or system, and age of the equipment or system.

Project No: **10030610** **Communication and Equipment Blanket**

Project Need Justification	Without this funding project, smaller station improvements and equipment replacement would be grouped in with larger funding projects which would delay implementation of needed improvements or replacements.

Project No: **10030610** **Communication and Equipment Blanket**

Project Alternatives	The only alternative is to do nothing. However, without this project, aging equipment would remain in place, which present a larger risk of unplanned outages.

Project No: **10030610** **Communication and Equipment Blanket**

Project Estimate Approach	Not required for projects with less than $250,000 of expenditures.

Project No: **10030610** **Communication and Equipment Blanket**

Customer Benefit	Customers benefit from this project by extension of service lives or replacement of aging equipment or systems, which reduce risks of unplanned outages.

Project No: **10030610** **Communication and Equipment Blanket**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **10030610** **Communication and Equipment Blanket**

General Services

Reliability & Resiliency

This project increases overall system reliability by extending service lives or replacement of aging equipment or systems. This subsequently reduces the risk of unplanned outages.

Safety & Security

Technology Advancements

PNMR's ability to provide power and services reliably and safely is extremely dependent on its ability to manage technology efficiently and cost-effectively. PNMR is vigilant about ensuring its technology operations run at the highest possible level by continually working with peers and vendors to identify and, where appropriate, implement the latest, most effective tools.

Project No: 10030610 Communication and Equipment Blanket

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	47,690	478	478	478	478	478	478	50,559
120: Overtime-General	10,075	-	-	-	-	-	-	10,075
350: Material Issues-Major	358,472	1,674	1,674	1,674	1,674	1,674	1,674	368,515
370: Outside Services	28,000	3,156	3,156	3,156	3,156	3,156	3,156	46,935
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	24,621	-	-	-	-	-	-	24,621
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,583	36	36	36	36	36	36	4,802
914: Pension and Benefits	11,564	89	89	89	89	89	89	12,098
915: Injuries and Damages	11,099	95	95	95	95	95	95	11,667
921: Stores Load	9,515	381	381	381	381	381	381	11,803
922: Minor Material Load	17,105	-	-	-	-	-	-	17,105
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	25,631	276	276	276	276	276	276	27,287
928: AFUDC Debt	4,537	96	110	125	73	88	103	5,132
929: AFUDC Equity	4,940	102	117	133	78	94	109	5,574
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(520,155)	-	-	(26,946)	-	-	(22,374)	(569,475)
825: Closing Cost of Removal	(1,996)	-	-	(515)	-	-	(907)	(3,418)
Project Net	35,682	6,383	6,413	(21,017)	6,337	6,367	(16,884)	23,282

Project No: **10030610** **Communication and Equipment Blanket**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	50,559	-	-	-	-	-	-
120: Overtime-General	10,075	-	-	-	-	-	-
350: Material Issues-Major	368,515	1,699	1,699	1,699	1,699	1,699	1,699
370: Outside Services	46,935	3,986	3,986	3,986	3,986	3,986	3,986
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	24,621	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	4,802	-	-	-	-	-	-
914: Pension and Benefits	12,098	-	-	-	-	-	-
915: Injuries and Damages	11,667	-	-	-	-	-	-
921: Stores Load	11,803	285	285	285	285	285	285
922: Minor Material Load	17,105	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	27,287	213	213	213	213	213	213
928: AFUDC Debt	5,132	56	69	82	51	64	77
929: AFUDC Equity	5,574	76	94	111	69	87	104
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(569,475)	-	-	(20,057)	-	-	(18,880)
825: Closing Cost of Removal	(3,418)	-	-	(1,103)	-	-	(1,201)
Project Net	23,282	6,315	6,346	(14,783)	6,303	6,334	(13,716)

Project No: **10030610** **Communication and Equipment Blanket**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	50,559
120: Overtime-General	-	-	-	10,075
350: Material Issues-Major	1,699	1,699	1,699	383,806
370: Outside Services	3,986	3,986	3,986	82,809
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	24,621
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	4,802
914: Pension and Benefits	-	-	-	12,098
915: Injuries and Damages	-	-	-	11,667
921: Stores Load	285	285	285	14,367
922: Minor Material Load	-	-	-	17,105
925: E&S Loads	-	-	-	-
926: A&G Loads	213	213	213	29,206
928: AFUDC Debt	48	61	75	5,716
929: AFUDC Equity	65	83	101	6,365
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	(18,282)	(626,694)
825: Closing Cost of Removal	-	-	(1,250)	(6,971)
Project Net	6,297	6,328	(13,173)	19,532

Project No: 10030610 Communication and Equipment Blanket

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	50,559	-	-	-	50,559	-	-	-
120: Overtime-General	10,075	-	-	-	10,075	-	-	-
350: Material Issues-Major	383,806	1,699	1,699	1,699	388,903	2,471	2,471	2,471
370: Outside Services	82,809	3,986	3,986	3,986	94,767	3,109	3,109	3,109
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	24,621	-	-	-	24,621	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,802	-	-	-	4,802	-	-	-
914: Pension and Benefits	12,098	-	-	-	12,098	-	-	-
915: Injuries and Damages	11,667	-	-	-	11,667	-	-	-
921: Stores Load	14,367	285	285	285	15,222	414	414	414
922: Minor Material Load	17,105	-	-	-	17,105	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	29,206	213	213	213	29,845	196	196	196
928: AFUDC Debt	5,716	47	60	73	5,896	46	58	71
929: AFUDC Equity	6,365	64	81	99	6,609	72	92	112
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(626,694)	-	-	(17,979)	(644,673)	-	-	(17,850)
825: Closing Cost of Removal	(6,971)	-	-	(1,274)	(8,245)	-	-	(1,287)
Project Net	19,532	6,294	6,325	(12,897)	19,253	6,307	6,341	(12,764)

Project No: **10030610** **Communication and Equipment Blanket**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	50,559
120: Overtime-General	-	-	-	-	-	-	10,075
350: Material Issues-Major	2,471	2,471	2,471	2,471	2,471	2,471	411,142
370: Outside Services	3,109	3,109	3,109	3,109	3,109	3,109	122,748
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	24,621
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,802
914: Pension and Benefits	-	-	-	-	-	-	12,098
915: Injuries and Damages	-	-	-	-	-	-	11,667
921: Stores Load	414	414	414	414	414	414	18,951
922: Minor Material Load	-	-	-	-	-	-	17,105
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	196	196	196	196	196	196	31,608
928: AFUDC Debt	45	58	71	45	58	71	6,419
929: AFUDC Equity	71	92	112	71	91	112	7,434
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(17,785)	-	-	(17,752)	(698,060)
825: Closing Cost of Removal	-	-	(1,293)	-	-	(1,297)	(12,123)
Project Net	6,307	6,340	(12,705)	6,306	6,339	(12,676)	19,048

Project No: 10031922 Gen Svcs Bldg Maint Blanket-Distr

Company: 001 Electric Services
Location: 100 Albuquerque Electric Services

Project Information

Estimated Start Date 1/1/2021

Estimated Completion Date 12/31/2032

County %		
	Bernalillo	60%
	Sandoval	15%
	Lincoln	15%
	Grant	10%

Description

This project covers the allocated funds for the General Services organization to support various New Mexico Distribution Operations facility improvements. Projects may include items such as heating, ventilation, and air conditioning (HVAC) systems, pumps, compressors, interior/exterior remodels, office furnishings, general equipment replacements and infrastructure improvements (e.g., roofs, etc.) specific to the Distribution facilities as needs are identified. General Services and Building Maintenance personnel will coordinate efforts with New Mexico Distribution Operations personnel to prioritize and respond to requests.

Project No: 10031922 Gen Svcs Bldg Maint Blanket-Distr

Project Need Justification

This project is needed to repair and replace equipment in PNM's Distribution facilities. These repairs ensure a safe environment for PNM personnel and reduce the risk of catastrophic equipment failures that could impact the ability to use these spaces and require more costly repairs.

Project No: **10031922** **Gen Svcs Bldg Maint Blanket-Distr**

Project Alternatives

If blanket capital funding is unavailable, building repairs will be prioritized and funded through the Operations & Maintenance (O&M) budget, or individual projects specific to capital requests. Using O&M to fund major building repairs places additional pressure on operational budgets and reduces funds available for normal maintenance and service delivery.

Project No: **10031922** **Gen Svcs Bldg Maint Blanket-Distr**

Project Estimate Approach	Project costs were estimated based on similar work performed in the past. Individual pieces of equipment repaired/replaced as part of this project are evaluated by internal subject matter experts to determine how best to proceed with recommended solutions. This process will also help determine outside expertise (i.e., engineering and contractor support) for cost, safety and operational efficiencies.

Project No: **10031922** **Gen Svcs Bldg Maint Blanket-Distr**

Customer Benefit

This project provides General Services with the necessary funding to quickly and efficiently maintain PNM's facilities, where personnel provide an array of services to PNM's customer base.

Project No: **10031922** **Gen Svcs Bldg Maint Blanket-Distr**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 10031922 Gen Svcs Bldg Maint Blanket-Distr

General Services	Investments for enhancing and expanding facilities, equipment, vehicles, and tools. These investments often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues, as well as maintaining building assets and acceptable operating conditions.
Reliability & Resiliency	
Safety & Security	Investments for the mitigation of existing safety risks or for safety enhancements associated with a facility; crisis management, wild-fire mitigation, vegetation management, and the mitigation of both physical and cyber security risks. Examples include investments to mitigate or avoid employee and public safety incidents, damage to company or public property, and physical or cyber breaches.
Technology Advancements	

Project No: 10031922 Gen Svcs Bldg Maint Blanket-Distr

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	2,482	-	-	-	-	-	-	2,482
370: Outside Services	2,288,866	51,094	-	187,591	320,579	571	187,591	3,036,291
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	(525)	(525)
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	6,238	-	-	-	-	-	-	6,238
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	105,786	2,657	-	9,755	16,670	30	9,727	144,625
928: AFUDC Debt	13,138	662	727	957	1,575	1,970	2,207	21,236
929: AFUDC Equity	17,623	705	775	1,020	1,678	2,100	2,352	26,253
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(2,018,031)	-	-	-	-	-	(990,810)	(3,008,841)
825: Closing Cost of Removal	(131,299)	-	-	-	-	-	(96,460)	(227,759)
Project Net	284,803	55,118	1,501	199,322	340,503	4,671	(885,918)	0

Project No: **10031922** **Gen Svcs Bldg Maint Blanket-Distr**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	2,482	-	-	-	-	-	-
370: Outside Services	3,036,291	-	-	183,028	-	-	183,028
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	(525)	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	6,238	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	144,625	-	-	6,864	-	-	6,864
928: AFUDC Debt	21,236	-	-	196	394	-	196
929: AFUDC Equity	26,253	-	-	266	533	-	266
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(3,008,841)	-	-	-	(177,988)	-	-
825: Closing Cost of Removal	(227,759)	-	-	-	(13,292)	-	-
Project Net	0	-	-	190,354	(190,354)	-	190,354

Project No: **10031922** **Gen Svcs Bldg Maint Blanket-Distr**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	2,482
370: Outside Services	-	-	183,028	3,585,375
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	(525)
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	6,238
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	6,864	165,216
928: AFUDC Debt	394	-	196	22,613
929: AFUDC Equity	533	-	266	28,117
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	(177,988)	-	-	(3,364,818)
825: Closing Cost of Removal	(13,292)	-	-	(254,344)
Project Net	(190,354)	-	190,354	190,354

Project No: 10031922 Gen Svcs Bldg Maint Blanket-Distr

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	2,482	-	-	-	2,482	-	-	-
370: Outside Services	3,585,375	-	-	183,028	3,768,403	-	-	182,091
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	(525)	-	-	-	(525)	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	6,238	-	-	-	6,238	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	165,216	-	-	6,864	172,079	-	-	6,391
928: AFUDC Debt	22,613	394	-	196	23,204	-	-	191
929: AFUDC Equity	28,117	533	-	266	28,916	-	-	302
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(3,364,818)	(177,988)	-	(177,061)	(3,719,868)	-	-	-
825: Closing Cost of Removal	(254,344)	(13,292)	-	(13,292)	(280,929)	-	-	-
Project Net	190,354	(190,354)	-	-	(0)	-	-	188,975

Project No: **10031922** **Gen Svcs Bldg Maint Blanket-Distr**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	2,482
370: Outside Services	-	-	182,091	-	-	182,091	4,314,676
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	(525)
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	6,238
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	6,391	-	-	6,391	191,253
928: AFUDC Debt	383	-	191	383	-	191	24,544
929: AFUDC Equity	605	-	302	605	-	302	31,031
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(176,770)	-	-	(176,770)	-	-	(4,073,407)
825: Closing Cost of Removal	(13,194)	-	-	(13,194)	-	-	(307,316)
Project Net	(188,975)	-	188,975	(188,975)	-	188,975	188,975

Project No: 10034007 ABQ Metro 2010 Tools & Equipment

Company: 001 Electric Services
Location: 100 Albuquerque Electric Services

Project Information

County % Bernalillo 100%

Estimated Start Date 9/11/2006

Estimated Completion Date 12/31/2032

Description

This project is to fund the purchase of tools and equipment used in construction and maintenance by the Albuquerque Metro Line Department. Example equipment to be purchased includes climbing gear, which is a safety requirement needed when working on the distribution lines. Other tools required for line work include, Cable Cutters, Cable Fault wizards and voltage testers.

Project No: **10034007 ABQ Metro 2010 Tools & Equipment**

Project Need Justification

This project is to fund the purchase of replacement tools and equipment used by the Albuquerque Metro Line Department in responding to outages as well as in construction and maintenance activities. Tools and equipment that are worn, defective, or broken need to be replaced to ensure PNM employees are working safely, efficiently, and effectively.

Project No: **10034007 ABQ Metro 2010 Tools & Equipment**

Project Alternatives

Not purchasing the equipment will directly affect the ability of PNM employees to complete work, potentially increasing costs as more time is required to complete tasks without the proper tools for specific repair and maintenance activities. Specific alternatives as to the type of tools and equipment purchased will be evaluated at the time of replacement.

Project No: **10034007 ABQ Metro 2010 Tools & Equipment**

Project Estimate Approach	Project estimate was based on the historical spend of tools and equipment that are required for safety and compliance on Distribution lines.

Project No: **10034007 ABQ Metro 2010 Tools & Equipment**

Customer Benefit	Having the proper tools and equipment needed to conduct transmission work ensures that PNM employees are safe, while minimizing time required to resolve customer outages.

Project No: **10034007 ABQ Metro 2010 Tools & Equipment**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **10034007 ABQ Metro 2010 Tools & Equipment**

General Services	Having the proper tools and equipment needed to conduct work will ensure PNM employees are able to perform work safely.
Reliability & Resiliency	This project improves overall reliability by ensuring PNM employees have access to tools necessary to respond and restore outages as quickly as possible.
Safety & Security	Having the proper tools and equipment needed to conduct work will ensure PNM employees are able to perform work safely.
Technology Advancements	

Project No: 10034007 ABQ Metro 2010 Tools & Equipment

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	234	-	-	-	-	-	-	234
120: Overtime-General	118	-	-	-	-	-	-	118
350: Material Issues-Major	3,334,094	-	-	38,260	-	-	38,260	3,410,614
370: Outside Services	238,200	-	-	-	-	-	-	238,200
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	23,193	512	515	600	351	-	87	25,257
610: Expenses - General	185,318	-	-	-	-	-	-	185,318
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	26	-	-	-	-	-	-	26
914: Pension and Benefits	92	-	-	-	-	-	-	92
915: Injuries and Damages	30	-	-	-	-	-	-	30
921: Stores Load	60,956	-	-	8,719	-	-	8,719	78,394
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	13,253	-	-	-	-	-	-	13,253
926: A&G Loads	232,122	-	-	1,990	-	-	1,990	236,101
928: AFUDC Debt	3,344	-	-	-	-	-	-	3,344
929: AFUDC Equity	2,018	-	-	-	-	-	-	2,018
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(3,954,867)	-	-	(91,355)	(91,706)	-	(45,628)	(4,183,557)
825: Closing Cost of Removal	(0)	-	-	(1,714)	(1,714)	-	(3,428)	(6,856)
Project Net	138,130	512	515	(43,501)	(93,069)	-	-	2,586

Project No: **10034007** **ABQ Metro 2010 Tools & Equipment**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	234	-	-	-	-	-	-
120: Overtime-General	118	-	-	-	-	-	-
350: Material Issues-Major	3,410,614	13,152	13,152	13,152	13,152	13,152	13,152
370: Outside Services	238,200	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	25,257	28	82	144	201	29	88
610: Expenses - General	185,318	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	26	-	-	-	-	-	-
914: Pension and Benefits	92	-	-	-	-	-	-
915: Injuries and Damages	30	-	-	-	-	-	-
921: Stores Load	78,394	2,205	2,205	2,205	2,205	2,205	2,205
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	13,253	-	-	-	-	-	-
926: A&G Loads	236,101	493	493	493	493	493	493
928: AFUDC Debt	3,344	-	-	-	-	-	-
929: AFUDC Equity	2,018	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(4,183,557)	-	-	-	(59,419)	-	(29,600)
825: Closing Cost of Removal	(6,856)	-	-	-	(4,438)	-	(2,219)
Project Net	2,586	15,879	15,933	15,994	(47,806)	15,880	(15,880)

Project No: **10034007** **ABQ Metro 2010 Tools & Equipment**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	234
120: Overtime-General	-	-	-	118
350: Material Issues-Major	13,152	13,152	13,152	3,528,982
370: Outside Services	-	-	-	238,200
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	29	89	148	26,096
610: Expenses - General	-	-	-	185,318
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	26
914: Pension and Benefits	-	-	-	92
915: Injuries and Damages	-	-	-	30
921: Stores Load	2,205	2,205	2,205	98,242
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	13,253
926: A&G Loads	493	493	493	240,540
928: AFUDC Debt	-	-	-	3,344
929: AFUDC Equity	-	-	-	2,018
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	(44,489)	(4,317,064)
825: Closing Cost of Removal	-	-	(3,329)	(16,841)
Project Net	15,880	15,940	(31,820)	2,586

Project No: 10034007 ABQ Metro 2010 Tools & Equipment

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	234	-	-	-	234	-	-	-
120: Overtime-General	118	-	-	-	118	-	-	-
350: Material Issues-Major	3,528,982	13,152	13,152	13,152	3,568,438	13,599	13,599	13,599
370: Outside Services	238,200	-	-	-	238,200	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	26,096	29	90	150	26,364	31	91	157
610: Expenses - General	185,318	-	-	-	185,318	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	26	-	-	-	26	-	-	-
914: Pension and Benefits	92	-	-	-	92	-	-	-
915: Injuries and Damages	30	-	-	-	30	-	-	-
921: Stores Load	98,242	2,205	2,205	2,205	104,858	2,280	2,280	2,280
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	13,253	-	-	-	13,253	-	-	-
926: A&G Loads	240,540	493	493	493	242,019	477	477	477
928: AFUDC Debt	3,344	-	-	-	3,344	-	-	-
929: AFUDC Equity	2,018	-	-	-	2,018	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(4,317,064)	-	-	(44,492)	(4,361,556)	-	-	(45,914)
825: Closing Cost of Removal	(16,841)	-	-	(3,329)	(20,170)	-	-	(3,435)
Project Net	2,586	15,880	15,940	(31,820)	2,586	16,387	16,447	(32,835)

Project No: 10034007 ABQ Metro 2010 Tools & Equipment

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	234
120: Overtime-General	-	-	-	-	-	-	118
350: Material Issues-Major	13,599	13,599	13,599	13,599	13,599	13,599	3,690,829
370: Outside Services	-	-	-	-	-	-	238,200
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	31	91	157	31	94	157	27,205
610: Expenses - General	-	-	-	-	-	-	185,318
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	26
914: Pension and Benefits	-	-	-	-	-	-	92
915: Injuries and Damages	-	-	-	-	-	-	30
921: Stores Load	2,280	2,280	2,280	2,280	2,280	2,280	125,380
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	13,253
926: A&G Loads	477	477	477	477	477	477	246,315
928: AFUDC Debt	-	-	-	-	-	-	3,344
929: AFUDC Equity	-	-	-	-	-	-	2,018
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(45,914)	-	-	(45,917)	(4,499,301)
825: Closing Cost of Removal	-	-	(3,435)	-	-	(3,435)	(30,475)
Project Net	16,388	16,448	(32,836)	16,388	16,451	(32,839)	2,586

Project No: **10034012** **Tech Services Distribution Tools**

Company: 001 Electric Services
Location: 100 Albuquerque Electric Services

Project Information

County % Bernalillo 100%

Estimated Start Date 6/1/2012

Estimated Completion Date 12/31/2032

Description

The scope of this project is to fund the purchase of tools and equipment used in construction and maintenance by the Distribution Substation, Meter, Relay and Communications departments. Example equipment to be purchased includes meter test boards, portable meter analyzers and Powered Air Purifying Respirators (PAPR).

Project No: **10034012** **Tech Services Distribution Tools**

Project Need Justification

Some of the tools and equipment these departments currently utilize for construction and maintenance are defective or broken. This equipment needs to be replaced to ensure PNM employees are working safely, efficiently, and effectively. Additionally, some equipment has become outdated and does not meet new regulations or requirements. Tools and equipment get worn after years of being used such as meter testing equipment. Also new requirements are needed to ensure safety of our employees while working in areas that require PAPR respirators.

Project No: **10034012** **Tech Services Distribution Tools**

Project Alternatives

Not purchasing tools and equipment will negatively impact PNM employees' ability to perform their work, which potentially increases costs as more time and effort may be required without the proper tools needed. Specific alternatives as to the type of tools and equipment purchased will be evaluated the time of replacement.

Project No: **10034012** **Tech Services Distribution Tools**

Project Estimate Approach	Project estimate was based on the historical spend of tools and equipment that are required for safety and compliance on Distribution Substation, Meters, Relays and Communications departments.

Project No: **10034012** **Tech Services Distribution Tools**

Customer Benefit	Customers benefit from this project as PNM employees with the right tools may respond and restore outages more quickly improving reliability of customers' electricity service.

Project No: **10034012** **Tech Services Distribution Tools**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 10034012 Tech Services Distribution Tools

General Services

Having the proper tools and equipment needed to conduct work will ensure PNM employees are able to perform work safely and effectively.

Reliability & Resiliency

This project improves overall reliability by ensuring PNM employees have access to tools necessary to respond and restore outages as quickly as possible.

Safety & Security

Technology Advancements

Project No: 10034012 Tech Services Distribution Tools

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	256	-	-	-	-	-	-	256
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	948,623	7,652	7,652	7,652	7,652	7,652	7,652	994,536
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	6,177	463	502	537	18	55	92	7,844
610: Expenses - General	4,329	-	-	-	-	-	-	4,329
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	20	-	-	-	-	-	-	20
914: Pension and Benefits	61	-	-	-	-	-	-	61
915: Injuries and Damages	26	-	-	-	-	-	-	26
921: Stores Load	23,026	1,744	1,744	1,744	1,744	1,744	1,744	33,488
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	497	497	497	497	497	497	2,984
926: A&G Loads	56,435	398	398	398	398	398	398	58,823
928: AFUDC Debt	49	-	-	-	-	-	-	49
929: AFUDC Equity	52	-	-	-	-	-	-	52
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(920,957)	-	-	(148,056)	-	-	(28,878)	(1,097,891)
825: Closing Cost of Removal	-	-	-	(2,161)	-	-	(2,161)	(4,322)
Project Net	118,097	10,754	10,793	(139,389)	10,310	10,346	(20,656)	255

Project No: **10034012** **Tech Services Distribution Tools**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	256	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	994,536	7,877	7,877	7,877	7,877	7,877	7,877
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	7,844	18	52	91	18	56	93
610: Expenses - General	4,329	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	20	-	-	-	-	-	-
914: Pension and Benefits	61	-	-	-	-	-	-
915: Injuries and Damages	26	-	-	-	-	-	-
921: Stores Load	33,488	1,321	1,321	1,321	1,321	1,321	1,321
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	2,984	551	551	551	551	551	551
926: A&G Loads	58,823	295	295	295	295	295	295
928: AFUDC Debt	49	-	-	-	-	-	-
929: AFUDC Equity	52	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,097,891)	-	-	(28,185)	-	-	(28,192)
825: Closing Cost of Removal	(4,322)	-	-	(2,109)	-	-	(2,109)
Project Net	255	10,062	10,097	(20,159)	10,063	10,101	(20,163)

Project No: **10034012** **Tech Services Distribution Tools**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	256
120: Overtime-General	-	-	-	-
350: Material Issues-Major	7,877	7,877	7,877	1,065,429
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	19	56	94	8,341
610: Expenses - General	-	-	-	4,329
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	20
914: Pension and Benefits	-	-	-	61
915: Injuries and Damages	-	-	-	26
921: Stores Load	1,321	1,321	1,321	45,376
922: Minor Material Load	-	-	-	-
925: E&S Loads	551	551	551	7,947
926: A&G Loads	295	295	295	61,481
928: AFUDC Debt	-	-	-	49
929: AFUDC Equity	-	-	-	52
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	(28,193)	(1,182,462)
825: Closing Cost of Removal	-	-	(2,109)	(10,650)
Project Net	10,063	10,101	(20,164)	255

Project No: 10034012 Tech Services Distribution Tools

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	256	-	-	-	256	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,065,429	7,877	7,877	7,877	1,089,060	8,130	8,130	8,130
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	8,341	19	57	95	8,512	19	57	99
610: Expenses - General	4,329	-	-	-	4,329	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	20	-	-	-	20	-	-	-
914: Pension and Benefits	61	-	-	-	61	-	-	-
915: Injuries and Damages	26	-	-	-	26	-	-	-
921: Stores Load	45,376	1,321	1,321	1,321	49,338	1,363	1,363	1,363
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	7,947	551	551	551	9,601	569	569	569
926: A&G Loads	61,481	295	295	295	62,367	285	285	285
928: AFUDC Debt	49	-	-	-	49	-	-	-
929: AFUDC Equity	52	-	-	-	52	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,182,462)	-	-	(28,195)	(1,210,657)	-	-	(29,046)
825: Closing Cost of Removal	(10,650)	-	-	(2,109)	(12,760)	-	-	(2,173)
Project Net	255	10,063	10,101	(20,165)	255	10,367	10,405	(20,772)

Project No: **10034012** **Tech Services Distribution Tools**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	256
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	8,130	8,130	8,130	8,130	8,130	8,130	1,162,230
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	20	58	99	20	60	99	9,043
610: Expenses - General	-	-	-	-	-	-	4,329
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	20
914: Pension and Benefits	-	-	-	-	-	-	61
915: Injuries and Damages	-	-	-	-	-	-	26
921: Stores Load	1,363	1,363	1,363	1,363	1,363	1,363	61,607
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	569	569	569	569	569	569	14,723
926: A&G Loads	285	285	285	285	285	285	64,936
928: AFUDC Debt	-	-	-	-	-	-	49
929: AFUDC Equity	-	-	-	-	-	-	52
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(29,047)	-	-	(29,049)	(1,297,799)
825: Closing Cost of Removal	-	-	(2,173)	-	-	(2,173)	(19,279)
Project Net	10,367	10,405	(20,773)	10,368	10,407	(20,775)	255

Project No: **15034011** **Southern Tools & Equipment**

Company: 001 Electric Services
Location: 150 TNMP NM Dist General

Project Information

Estimated Start Date 10/3/2011

Estimated Completion Date 12/31/2032

County %	
Otero	33%
Lincoln	30%
Luna	26%
Grant	11%

Description

This project is to fund the purchase of tools and equipment used by Southern New Mexico Engineering and Line Department for engineering, design, construction, and maintenance activities. These tools and equipment include lineman's climbing gear, chainsaws, utility crimpers, ACSR cutters, and underground cable cutters.

Project No: **15034011 Southern Tools & Equipment**

Project Need Justification

New tools and equipment are needed to replace those that are at the end of their useful life, or are defective/broken. These new tools will reduce safety risks associated with using tools that are aged or not in proper working order. Using properly functioning tools will also increase the efficiency by which tasks are completed by this department.

Project No: **15034011 Southern Tools & Equipment**

Project Alternatives

The only alternative is not purchasing new tools and equipment. This course of action would negatively impact PNM employees' ability to perform distribution work, which potentially increases costs as more time and effort are required to complete tasks without proper tools/equipment.

Specific alternatives as to the type of tools and equipment purchased will be evaluated the time of replacement.

Project No: **15034011** **Southern Tools & Equipment**

Project Estimate Approach	Initial Budget projections were based on historical purchases of similar tools and equipment from previous years, accounting for escalators.

Project No: **15034011** **Southern Tools & Equipment**

Customer Benefit	Customers benefit from this project as PNM employees with the right tools are able to respond to and restore outages more quickly improving reliability of customers' electricity service.

Project No: **15034011 Southern Tools & Equipment**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **15034011 Southern Tools & Equipment**

General Services	Having the proper tools and equipment needed to conduct work will ensure PNM employees are able to perform work safely.
Reliability & Resiliency	This project improves overall reliability by ensuring PNM employees have access to tools necessary to respond and restore outages as quickly as possible.
Safety & Security	Having the proper tools and equipment needed to conduct distribution work will ensure PNM employees' safety when responding to customer outages.
Technology Advancements	

Project No: 15034011 Southern Tools & Equipment

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	27	-	-	-	-	-	-	27
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	951,727	8,011	8,011	8,011	8,011	8,011	8,011	999,793
370: Outside Services	54,849	-	-	-	-	-	-	54,849
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	6,333	185	19	58	99	20	59	6,772
610: Expenses - General	17,314	-	-	-	-	-	-	17,314
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2	-	-	-	-	-	-	2
914: Pension and Benefits	8	-	-	-	-	-	-	8
915: Injuries and Damages	2	-	-	-	-	-	-	2
921: Stores Load	5,362	1,826	1,826	1,826	1,826	1,826	1,826	16,315
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	52,813	417	417	417	417	417	417	55,312
928: AFUDC Debt	174	-	-	-	-	-	-	174
929: AFUDC Equity	128	-	-	-	-	-	-	128
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,044,343)	(54,192)	-	-	(30,935)	-	(20,585)	(1,150,054)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	44,397	(43,754)	10,272	10,311	(20,583)	10,273	(10,273)	643

Project No: **15034011** **Southern Tools & Equipment**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	27	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	999,793	8,089	8,089	8,089	8,089	8,089	8,089
370: Outside Services	54,849	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	6,772	19	54	95	133	19	58
610: Expenses - General	17,314	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	2	-	-	-	-	-	-
914: Pension and Benefits	8	-	-	-	-	-	-
915: Injuries and Damages	2	-	-	-	-	-	-
921: Stores Load	16,315	1,356	1,356	1,356	1,356	1,356	1,356
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	55,312	303	303	303	303	303	303
928: AFUDC Debt	174	-	-	-	-	-	-
929: AFUDC Equity	128	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,150,054)	-	-	-	(39,296)	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	643	9,767	9,803	9,844	(29,414)	9,768	9,807

Project No: **15034011** **Southern Tools & Equipment**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	27
120: Overtime-General	-	-	-	-
350: Material Issues-Major	8,089	8,089	8,089	1,072,594
370: Outside Services	-	-	-	54,849
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	98	20	59	7,327
610: Expenses - General	-	-	-	17,314
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	2
914: Pension and Benefits	-	-	-	8
915: Injuries and Damages	-	-	-	2
921: Stores Load	1,356	1,356	1,356	28,523
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	303	303	303	58,042
928: AFUDC Debt	-	-	-	174
929: AFUDC Equity	-	-	-	128
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	(29,422)	-	-	(1,218,771)
825: Closing Cost of Removal	-	-	-	-
Project Net	(19,575)	9,768	9,807	20,219

Project No: 15034011 Southern Tools & Equipment

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	27	-	-	-	27	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,072,594	8,089	8,089	8,089	1,096,861	8,553	8,553	8,553
370: Outside Services	54,849	-	-	-	54,849	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	7,327	97	20	59	7,503	21	61	106
610: Expenses - General	17,314	-	-	-	17,314	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2	-	-	-	2	-	-	-
914: Pension and Benefits	8	-	-	-	8	-	-	-
915: Injuries and Damages	2	-	-	-	2	-	-	-
921: Stores Load	28,523	1,356	1,356	1,356	32,592	1,434	1,434	1,434
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	58,042	303	303	303	58,952	300	300	300
928: AFUDC Debt	174	-	-	-	174	-	-	-
929: AFUDC Equity	128	-	-	-	128	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,218,771)	(29,422)	-	(19,576)	(1,267,769)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	20,219	(19,576)	9,768	(9,768)	643	10,308	10,349	10,394

Project No: 15034011 Southern Tools & Equipment

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	27
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	8,553	8,553	8,553	8,553	8,553	8,553	1,173,838
370: Outside Services	-	-	-	-	-	-	54,849
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	149	21	64	106	21	63	8,115
610: Expenses - General	-	-	-	-	-	-	17,314
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	2
914: Pension and Benefits	-	-	-	-	-	-	8
915: Injuries and Damages	-	-	-	-	-	-	2
921: Stores Load	1,434	1,434	1,434	1,434	1,434	1,434	45,499
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	300	300	300	300	300	300	61,654
928: AFUDC Debt	-	-	-	-	-	-	174
929: AFUDC Equity	-	-	-	-	-	-	128
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(41,487)	-	-	(31,053)	-	-	(1,340,309)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	(31,051)	10,308	10,351	(20,659)	10,309	10,351	21,302

Project No: 20030526 Deming Station Roof Repair

Company:	001	Electric Services
Location:	200	Deming Electric Services

Project Information

County %	Luna	100%	

Estimated Start Date	6/1/2026
Estimated Completion Date	12/31/2026

Description

This project repairs the failing roof on PNM's Deming building, presents a safety risk to the employees and customers who use the building. The building houses the Deming payment center and the local meter reading operation, and its telecommunications and fiber were recently upgraded to support payment center operations.

Project No: 20030526 Deming Station Roof Repair

Project Need Justification

The roof on the Deming building is failing and presents a safety risk to the employees and customers who use it. The building houses the Deming payment center, which PNM is required to keep open at least two days a week, and the local meter reading operation. The Deming payment center serves a community that is heavily unbanked and uses it frequently, and closing the payment center rather than repairing the building would require a variance from the New Mexico Public Regulation Commission (PRC).

Project No: **20030526** **Deming Station Roof Repair**

Project Alternatives

The alternatives considered included leasing space to use as a payment center and relocating the meter readers to the small service center in Deming. Repairing the existing PNM-owned facility was determined to be more cost effective than leasing another facility. Making the necessary repairs also allows PNM to continue using the existing facility and preserve the value of its assets.

Project No: **20030526** **Deming Station Roof Repair**

Project Estimate Approach	Project costs were estimates were on 3 bids obtained from contractors.

Project No: **20030526** **Deming Station Roof Repair**

Customer Benefit	Repairing the roof removes a safety risk to the customers and employees who use the building, and keeps the payment center available in a community that relies heavily on it for in-person payment.

Project No: **20030526** **Deming Station Roof Repair**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **20030526** **Deming Station Roof Repair**

General Services	Specific facility improvements funded by the project often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues. They also help ensure buildings are properly maintained and working conditions remain acceptable.
Reliability & Resiliency	
Safety & Security	Specific facility improvements funded by the project often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues. These investments all address any identified safety/security concerns.
Technology Advancements	

Project No: 20030526 Deming Station Roof Repair

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	1,000	1,000	1,000	-	-	-	3,000
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	31,250	31,250	31,250	31,250	31,250	31,250	187,500
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	76	76	76	-	-	-	229
914: Pension and Benefits	-	186	186	186	-	-	-	558
915: Injuries and Damages	-	198	198	198	-	-	-	594
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	1,677	1,677	1,677	1,625	1,625	1,625	9,906
928: AFUDC Debt	-	39	119	198	276	353	430	1,415
929: AFUDC Equity	-	42	126	211	294	376	458	1,508
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(190,585)	(190,585)
825: Closing Cost of Removal	-	-	-	-	-	-	(14,125)	(14,125)
Project Net	-	34,469	34,632	34,796	33,445	33,604	(170,947)	-

Project No: **20030526** **Deming Station Roof Repair**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	3,000	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	187,500	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	229	-	-	-	-	-	-
914: Pension and Benefits	558	-	-	-	-	-	-
915: Injuries and Damages	594	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	9,906	-	-	-	-	-	-
928: AFUDC Debt	1,415	-	-	-	-	-	-
929: AFUDC Equity	1,508	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(190,585)	-	-	-	-	-	-
825: Closing Cost of Removal	(14,125)	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **20030526** **Deming Station Roof Repair**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	3,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	187,500
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	229
914: Pension and Benefits	-	-	-	558
915: Injuries and Damages	-	-	-	594
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	9,906
928: AFUDC Debt	-	-	-	1,415
929: AFUDC Equity	-	-	-	1,508
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(190,585)
825: Closing Cost of Removal	-	-	-	(14,125)
Project Net	-	-	-	-

Project No: 20030526 Deming Station Roof Repair

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	3,000	-	-	-	3,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	187,500	-	-	-	187,500	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	229	-	-	-	229	-	-	-
914: Pension and Benefits	558	-	-	-	558	-	-	-
915: Injuries and Damages	594	-	-	-	594	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	9,906	-	-	-	9,906	-	-	-
928: AFUDC Debt	1,415	-	-	-	1,415	-	-	-
929: AFUDC Equity	1,508	-	-	-	1,508	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(190,585)	-	-	-	(190,585)	-	-	-
825: Closing Cost of Removal	(14,125)	-	-	-	(14,125)	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **20030526** **Deming Station Roof Repair**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	3,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	187,500
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	229
914: Pension and Benefits	-	-	-	-	-	-	558
915: Injuries and Damages	-	-	-	-	-	-	594
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	9,906
928: AFUDC Debt	-	-	-	-	-	-	1,415
929: AFUDC Equity	-	-	-	-	-	-	1,508
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(190,585)
825: Closing Cost of Removal	-	-	-	-	-	-	(14,125)
Project Net	-	-	-	-	-	-	-

Project No: 35730526 2026 Aztec Building A Contingency

Company: 003 Bulk Power
Location: 357 Bulk Power Building Allocation

Project Information

County %	Bernalillo	100%	

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2031

Description

The project provides contingency funds for essential unplanned, emergency capital improvements to Aztec Building A in 2026. Examples of projects funded by this contingency could include capital investments to critical building infrastructure (e.g., HVAC systems) and to make necessary improvements and/or replacements.

Project No: **35730526** **2026 Aztec Building A Contingency**

Project Need Justification

Generally speaking, Aztec is an aged building that routinely requires general improvements to support current and future operational needs. These needs change year over year but are generally related to evolving changes in the building requirements (e.g., additional safety measures were put in place in response to COVID-19) and to repair/replaced failures in building critical infrastructure.

Project No: **35730526** **2026 Aztec Building A Contingency**

Project Alternatives	The only alternative to this project would be to do nothing. Modifications are needed to accommodate the increased usage of the building and to meet the legitimate space needs of the business at Aztec

Project No: **35730526** **2026 Aztec Building A Contingency**

Project Estimate Approach	Not required for projects with less than $250,000 in expenditures.

Project No: **35730526** **2026 Aztec Building A Contingency**

Customer Benefit	Providing PNM personnel PNM personnel have access to safe buildings that meet operational needs is important so they can focus their efforts on providing reliable service to customers.

Project No: **35730526** **2026 Aztec Building A Contingency**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 35730526 2026 Aztec Building A Contingency

General Services	This project funds the repairs necessary to ensure the Aztec building provides an effective working environment for employees.
Reliability & Resiliency	
Safety & Security	This project funds the repairs necessary to ensure employees and visitors have a work environment that is safe.
Technology Advancements	

Project No: 35730526 2026 Aztec Building A Contingency

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	22,087	-	-	64,315	86,402
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	906	-	-	2,637	3,542
926: A&G Loads	-	-	-	1,149	-	-	3,344	4,493
928: AFUDC Debt	-	-	-	30	-	-	87	116
929: AFUDC Equity	-	-	-	32	-	-	92	124
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(24,203)	-	-	(70,475)	(94,678)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	0	-	-	-	0

Project No: **35730526** **2026 Aztec Building A Contingency**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	86,402	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	3,542	-	-	-	-	-	-
926: A&G Loads	4,493	-	-	-	-	-	-
928: AFUDC Debt	116	-	-	-	-	-	-
929: AFUDC Equity	124	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(94,678)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	0	-	-	-	-	-	-

Project No: **35730526** **2026 Aztec Building A Contingency**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	86,402
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	3,542
926: A&G Loads	-	-	-	4,493
928: AFUDC Debt	-	-	-	116
929: AFUDC Equity	-	-	-	124
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(94,678)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	0

Project No: 35730526 2026 Aztec Building A Contingency

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	86,402	-	-	-	86,402	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	3,542	-	-	-	3,542	-	-	-
926: A&G Loads	4,493	-	-	-	4,493	-	-	-
928: AFUDC Debt	116	-	-	-	116	-	-	-
929: AFUDC Equity	124	-	-	-	124	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(94,678)	-	-	-	(94,678)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	0	-	-	-	0	-	-	-

Project No: **35730526** **2026 Aztec Building A Contingency**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	86,402
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	3,542
926: A&G Loads	-	-	-	-	-	-	4,493
928: AFUDC Debt	-	-	-	-	-	-	116
929: AFUDC Equity	-	-	-	-	-	-	124
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(94,678)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: 35730527 2027 Aztec Building A Contingency

Company: 003 Bulk Power
Location: 357 Bulk Power Building Allocation

Project Information

County %	Bernalillo	100%	

Estimated Start Date 1/1/2027

Estimated Completion Date 12/31/2027

Description

The project provides contingency funds for essential unplanned, emergency capital improvements to Aztec Building A in 2027. Examples of projects funded by this contingency could include capital investments to critical building infrastructure (e.g., HVAC systems) and to make necessary improvements and/or replacements.

Project No: **35730527** **2027 Aztec Building A Contingency**

Project Need Justification	Generally speaking, Aztec is an aged building that routinely requires general improvements to support current and future operational needs. These needs change year over year but are generally related to evolving changes in the building requirements (e.g., additional safety measures were put in place in response to COVID-19) and to repair/replaced failures in critical building infrastructure.

Project No: **35730527** **2027 Aztec Building A Contingency**

Project Alternatives	The only alternative to this project would be to do nothing. Modifications are needed to accommodate the increased usage of the building and to meet the legitimate space needs of the business at Aztec

Project No: **35730527** **2027 Aztec Building A Contingency**

Project Estimate Approach	This approach involves creating a single, comprehensive estimate that covers a broad range of anticipated maintenance tasks and associated costs. Instead of detailing each individual repair or preventative measure, this blanket estimate provides a generalized financial allocation.

Project No: **35730527** **2027 Aztec Building A Contingency**

Customer Benefit	Providing PNM personnel access to safe buildings that meet operational needs is important so they can focus their efforts on providing reliability service to customers.

Project No: **35730527** **2027 Aztec Building A Contingency**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 35730527 2027 Aztec Building A Contingency

General Services

This project funds the repairs necessary to ensure the Aztec building provides an effective working environment for employees.

Reliability & Resiliency

Safety & Security

This project funds the repairs necessary to ensure employees and visitors have a work environment that is safe.

Technology Advancements

Project No: 35730527 2027 Aztec Building A Contingency

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **35730527** **2027 Aztec Building A Contingency**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	21,857	-	-	21,857
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	896	-	-	896
926: A&G Loads	-	-	-	820	-	-	820
928: AFUDC Debt	-	-	-	26	-	-	26
929: AFUDC Equity	-	-	-	35	-	-	35
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(23,634)	-	-	(23,634)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	(0)	-	-	(0)

Project No: 35730527 2027 Aztec Building A Contingency

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	21,857	65,571
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	896	2,688
926: A&G Loads	-	-	820	2,459
928: AFUDC Debt	-	-	26	79
929: AFUDC Equity	-	-	35	106
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	(23,634)	(70,903)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	(0)	-

Project No: 35730527 2027 Aztec Building A Contingency

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	65,571	-	-	21,857	87,428	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	2,688	-	-	896	3,585	-	-	-
926: A&G Loads	2,459	-	-	820	3,279	-	-	-
928: AFUDC Debt	79	-	-	26	105	-	-	-
929: AFUDC Equity	106	-	-	35	142	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(70,903)	-	-	(23,634)	(94,538)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	(0)	(0)	-	-	-

Project No: 35730527 2027 Aztec Building A Contingency

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	87,428
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	3,585
926: A&G Loads	-	-	-	-	-	-	3,279
928: AFUDC Debt	-	-	-	-	-	-	105
929: AFUDC Equity	-	-	-	-	-	-	142
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(94,538)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 35730528 2028 Aztec Building A Contingency

Company: 003 Bulk Power
Location: 357 Bulk Power Building Allocation

Project Information

County %	Bernalillo	100%	

Estimated Start Date 1/1/2028

Estimated Completion Date 12/31/2028

Description

The project provides contingency funds for essential unplanned, emergency capital improvements to Aztec Building A in 2028. Examples of projects funded by this contingency could include capital investments to critical building infrastructure (e.g., HVAC systems) and to make necessary improvements and/or replacements.

Project No: **35730528** **2028 Aztec Building A Contingency**

Project Need Justification	Generally speaking, Aztec is an aged building that routinely requires general improvements to support current and future operational needs. These needs change year over year but are generally related to evolving changes in the building requirements (e.g., additional safety measures were put in place in response to COVID-19) and to repair/replaced failures in critical building infrastructure.

Project No: **35730528** **2028 Aztec Building A Contingency**

Project Alternatives	The only alternative to this project would be to do nothing. Modifications are needed to accommodate the increased usage of the building and to meet the legitimate space needs of the business at Aztec

Project No: **35730528** **2028 Aztec Building A Contingency**

Project Estimate Approach	Project costs were estimated based on similar work performed in the past. Individual pieces of equipment repaired/replaced as part of this project are evaluated by internal subject matter experts to determine how best to proceed with recommended solutions, including whether outside expertise (e.g., engineering and contractor support) is needed for cost, safety, and operational efficiencies.

Project No: **35730528 2028 Aztec Building A Contingency**

Customer Benefit	Providing PNM personnel access to safe buildings that meet operational needs is important so they can focus their efforts on providing reliability service to customers.

Project No: **35730528** **2028 Aztec Building A Contingency**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 35730528 2028 Aztec Building A Contingency

General Services

This project funds the repairs necessary to ensure the Aztec building provides an effective working environment for employees.

Reliability & Resiliency

Safety & Security

This project funds the repairs necessary to ensure employees and visitors have a work environment that is safe.

Technology Advancements

Project No: 35730528 2028 Aztec Building A Contingency

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 35730528 2028 Aztec Building A Contingency

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **35730528** **2028 Aztec Building A Contingency**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 35730528 2028 Aztec Building A Contingency

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	168,848
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	6,923
926: A&G Loads	-	-	-	-	-	-	-	5,927
928: AFUDC Debt	-	-	-	-	-	-	-	198
929: AFUDC Equity	-	-	-	-	-	-	-	313
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	(182,208)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	(0)

Project No: 35730528 2028 Aztec Building A Contingency

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	168,848	-	-	168,848	506,544
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	6,923	-	-	6,923	20,768
926: A&G Loads	-	-	5,927	-	-	5,927	17,780
928: AFUDC Debt	-	-	198	-	-	198	595
929: AFUDC Equity	-	-	313	-	-	313	938
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(182,208)	-	-	(182,208)	(546,625)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	(0)	-	-	(0)	-

Project No: 35732026 Aztec A 2nd Floor Workstations

Company:	003	Bulk Power
Location:	357	Bulk Power Building Allocation

Project Information

County %	Bernalillo	100%	

Estimated Start Date 8/1/2026

Estimated Completion Date 10/31/2026

Description

Due to the increased employee count in the Engineering planning office at Aztec, there is a need for more cubicle spaces on the second floor.

Project No: **35732026** **Aztec A 2nd Floor Workstations**

Project Need Justification	This project is needed to provide adequate workspace for additional employees.

Project No: **35732026** **Aztec A 2nd Floor Workstations**

Project Alternatives

The alternative is to have employees work from home rather than creating more working spaces. This was deemed not feasible because group collaboration is required for many projects and remote work can hinder communication and creativity. Furthermore, each individual typically requires their own working space, complete with ample desk area to organize materials and tools. Providing adequate office workspace supports these functional requirements and effective team collaboration.

Project No: **35732026** **Aztec A 2nd Floor Workstations**

Project Estimate Approach	Estimates are based on bids from several office furniture vendors.

Project No: **35732026** **Aztec A 2nd Floor Workstations**

Customer Benefit	The increased employee count helps ensure projects are completed for customers in timely and efficient manner.

Project No: **35732026** **Aztec A 2nd Floor Workstations**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **35732026** **Aztec A 2nd Floor Workstations**

General Services

This project is needed to provide adequate workspace for additional employees.

Reliability & Resiliency

Safety & Security

This project is needed to provide safe workspaces for employees.

Technology Advancements

Project No: 35732026 Aztec A 2nd Floor Workstations

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	35,000	35,000	35,000	-	-	105,000
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	70	208	354	-	-	632
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	1,820	1,820	1,820	-	-	5,460
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	(111,092)	-	-	(111,092)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	36,890	37,028	(73,918)	-	-	-

Project No: **35732026** **Aztec A 2nd Floor Workstations**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	105,000	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	632	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	5,460	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(111,092)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 35732026 Aztec A 2nd Floor Workstations

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	105,000
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	632
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	5,460
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(111,092)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 35732026 Aztec A 2nd Floor Workstations

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	105,000	-	-	-	105,000	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	632	-	-	-	632	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	5,460	-	-	-	5,460	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(111,092)	-	-	-	(111,092)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **35732026** **Aztec A 2nd Floor Workstations**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	105,000
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	632
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	5,460
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(111,092)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **41030526** **Santa Fe Cooling Tower Replacement**

Company: 001 Electric Services
Location: 410 Santa Fe Electric Servics

Project Information County % Santa Fe 100%

Estimated Start Date 1/1/2027

Estimated Completion Date 6/30/2027

Description

This project replaces the cooling towers at Santa Fe. The existing units have passed their serviceable life expectancy and are being kept in operation at an operating cost above normal upkeep.

Project No: 41030526 Santa Fe Cooling Tower Replacement

Project Need Justification	The cooling towers at the Santa Fe facility have passed their serviceable life expectancy, and keeping them operational now costs more than normal operations and upkeep.

Project No: **41030526** **Santa Fe Cooling Tower Replacement**

Project Alternatives

The alternative is to do nothing and not replace the cooling tower. However, this would mean losing essential cooling throughout the building which is vital for safeguarding critical IT equipment that supports safe, reliable operations.

Project No: **41030526** **Santa Fe Cooling Tower Replacement**

Project Estimate Approach	Project costs were based on obtaining bids from 3 heating, ventilation, and air conditioning (HVAC) contractors.

Project No: **41030526** **Santa Fe Cooling Tower Replacement**

Customer Benefit	Ensuring PNM personnel have access to safe buildings that meet operational needs is important so they can focus their efforts on providing reliable service to customers.

Project No: **41030526** **Santa Fe Cooling Tower Replacement**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **41030526** **Santa Fe Cooling Tower Replacement**

General Services	Maintaining building assets to ensure employee comfort and protect vital equipment.
Reliability & Resiliency	
Safety & Security	Completed projects contribute to improved work conditions for employees and visitors while providing a safe, efficient and updated work environment.
Technology Advancements	

Project No: 41030526 Santa Fe Cooling Tower Replacement

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 41030526 Santa Fe Cooling Tower Replacement

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	73,547	73,547	73,547	73,547	73,547
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	2,758	2,758	2,758	2,758	2,758
928: AFUDC Debt	-	-	79	237	396	556	717
929: AFUDC Equity	-	-	107	321	536	753	970
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(359,492)
825: Closing Cost of Removal	-	-	-	-	-	-	(26,707)
Project Net	-	-	76,491	76,863	77,238	77,614	(308,206)

Project No: **41030526** **Santa Fe Cooling Tower Replacement**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	367,735
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	13,790
928: AFUDC Debt	-	-	-	1,986
929: AFUDC Equity	-	-	-	2,687
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(359,492)
825: Closing Cost of Removal	-	-	-	(26,707)
Project Net	-	-	-	-

Project No: 41030526 Santa Fe Cooling Tower Replacement

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	367,735	-	-	-	367,735	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	13,790	-	-	-	13,790	-	-	-
928: AFUDC Debt	1,986	-	-	-	1,986	-	-	-
929: AFUDC Equity	2,687	-	-	-	2,687	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(359,492)	-	-	-	(359,492)	-	-	-
825: Closing Cost of Removal	(26,707)	-	-	-	(26,707)	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **41030526** **Santa Fe Cooling Tower Replacement**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	367,735
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	13,790
928: AFUDC Debt	-	-	-	-	-	-	1,986
929: AFUDC Equity	-	-	-	-	-	-	2,687
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(359,492)
825: Closing Cost of Removal	-	-	-	-	-	-	(26,707)
Project Net	-	-	-	-	-	-	-

Project No: **41034007** **Tools & Equipment**

Company: 001 Electric Services
Location: 410 Santa Fe Electric Servics

Project Information

County %		
	Santa Fe	90%
	San Miguel	10%

Estimated Start Date 9/12/2006

Estimated Completion Date 12/31/2032

Description

This project is to fund the purchase of tools and equipment used in construction and maintenance activities, and replace defective and/or broken tools and equipment utilized by PNM personnel in Santa Fe and Las Vegas. Examples of tools to be purchased include digital voltage indicators, fault wizards, concrete saws, ampact tools, crimper kits, and more.

Project No: **41034007 Tools & Equipment**

Project Need Justification

This project funds the purchase of tools and equipment used in construction and maintenance and to replace defective and broken equipment utilized by PNM personnel in Santa Fe and Las Vegas. Properly working tools and equipment are necessary to ensure PNM employees are able to perform work safely and effectively.

Project No: **41034007** **Tools & Equipment**

Project Alternatives

The only alternative is to do nothing. Not purchasing tools and equipment will negatively impact PNM employees' ability to perform distribution work, which potentially increases costs as more time and effort may be required to perform the task without the proper tools. Specific alternatives as to the type of tools and equipment purchased will be evaluated at the time of replacement.

Project No: **41034007** **Tools & Equipment**

Project Estimate Approach	The project estimate is based on historical spend when purchasing similar tools and equipment and the projected needs for these in Santa Fe and Las Vegas.

Project No: **41034007** **Tools & Equipment**

Customer Benefit	Customers benefit from this project as PNM personnel with the right tools may respond and restore outages more quickly, improving reliability of customers' electricity service.

Project No: **41034007** **Tools & Equipment**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 41034007 Tools & Equipment

General Services	Having the proper tools and equipment needed to conduct work will ensure PNM personnel are able to perform work safely and effectively.
Reliability & Resiliency	This project improves overall reliability by ensuring PNM personnel have access to tools necessary to respond and restore outages as quickly as possible.
Safety & Security	
Technology Advancements	

Project No: 41034007 Tools & Equipment

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	2,862	-	-	-	-	-	-	2,862
120: Overtime-General	136	-	-	-	-	-	-	136
350: Material Issues-Major	1,278,359	-	-	-	-	-	-	1,278,359
370: Outside Services	33,756	-	-	-	-	-	-	33,756
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	5,919	110	165	219	27	82	137	6,660
610: Expenses - General	12,882	14,603	14,603	14,603	14,603	14,603	14,603	100,500
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	219	-	-	-	-	-	-	219
914: Pension and Benefits	864	-	-	-	-	-	-	864
915: Injuries and Damages	204	-	-	-	-	-	-	204
921: Stores Load	24,222	-	-	-	-	-	-	24,222
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	2,124	-	-	-	-	-	-	2,124
926: A&G Loads	76,045	759	759	759	759	759	759	80,601
928: AFUDC Debt	4,740	-	-	-	-	-	-	4,740
929: AFUDC Equity	904	-	-	-	-	-	-	904
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,420,551)	-	-	(65,440)	-	-	(43,108)	(1,529,098)
825: Closing Cost of Removal	-	-	-	(3,226)	-	-	(3,226)	(6,452)
Project Net	22,685	15,473	15,527	(53,085)	15,390	15,444	(30,834)	600

Project No: **41034007** **Tools & Equipment**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	2,862	-	-	-	-	-	-
120: Overtime-General	136	-	-	-	-	-	-
350: Material Issues-Major	1,278,359	-	-	-	-	-	-
370: Outside Services	33,756	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	6,660	28	81	141	28	87	144
610: Expenses - General	100,500	14,981	14,981	14,981	14,981	14,981	14,981
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	219	-	-	-	-	-	-
914: Pension and Benefits	864	-	-	-	-	-	-
915: Injuries and Damages	204	-	-	-	-	-	-
921: Stores Load	24,222	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	2,124	-	-	-	-	-	-
926: A&G Loads	80,601	562	562	562	562	562	562
928: AFUDC Debt	4,740	-	-	-	-	-	-
929: AFUDC Equity	904	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,529,098)	-	-	(43,614)	-	-	(43,624)
825: Closing Cost of Removal	(6,452)	-	-	(3,264)	-	-	(3,264)
Project Net	600	15,570	15,624	(31,194)	15,571	15,630	(31,200)

Project No: **41034007** **Tools & Equipment**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	2,862
120: Overtime-General	-	-	-	136
350: Material Issues-Major	-	-	-	1,278,359
370: Outside Services	-	-	-	33,756
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	29	87	145	7,429
610: Expenses - General	14,981	14,981	14,981	235,329
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	219
914: Pension and Benefits	-	-	-	864
915: Injuries and Damages	-	-	-	204
921: Stores Load	-	-	-	24,222
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	2,124
926: A&G Loads	562	562	562	85,657
928: AFUDC Debt	-	-	-	4,740
929: AFUDC Equity	-	-	-	904
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	(43,626)	(1,659,961)
825: Closing Cost of Removal	-	-	(3,264)	(16,244)
Project Net	15,572	15,630	(31,202)	600

Project No: 41034007 Tools & Equipment

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	2,862	-	-	-	2,862	-	-	-
120: Overtime-General	136	-	-	-	136	-	-	-
350: Material Issues-Major	1,278,359	-	-	-	1,278,359	-	-	-
370: Outside Services	33,756	-	-	-	33,756	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	7,429	29	88	147	7,693	30	89	154
610: Expenses - General	235,329	14,981	14,981	14,981	280,272	15,436	15,436	15,436
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	219	-	-	-	219	-	-	-
914: Pension and Benefits	864	-	-	-	864	-	-	-
915: Injuries and Damages	204	-	-	-	204	-	-	-
921: Stores Load	24,222	-	-	-	24,222	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	2,124	-	-	-	2,124	-	-	-
926: A&G Loads	85,657	562	562	562	87,343	542	542	542
928: AFUDC Debt	4,740	-	-	-	4,740	-	-	-
929: AFUDC Equity	904	-	-	-	904	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,659,961)	-	-	(43,628)	(1,703,589)	-	-	(44,850)
825: Closing Cost of Removal	(16,244)	-	-	(3,264)	(19,508)	-	-	(3,355)
Project Net	600	15,572	15,631	(31,202)	600	16,008	16,066	(32,074)

Project No: **41034007** **Tools & Equipment**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	2,862
120: Overtime-General	-	-	-	-	-	-	136
350: Material Issues-Major	-	-	-	-	-	-	1,278,359
370: Outside Services	-	-	-	-	-	-	33,756
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	31	89	153	31	92	153	8,514
610: Expenses - General	15,436	15,436	15,436	15,436	15,436	15,436	419,196
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	219
914: Pension and Benefits	-	-	-	-	-	-	864
915: Injuries and Damages	-	-	-	-	-	-	204
921: Stores Load	-	-	-	-	-	-	24,222
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	2,124
926: A&G Loads	542	542	542	542	542	542	92,219
928: AFUDC Debt	-	-	-	-	-	-	4,740
929: AFUDC Equity	-	-	-	-	-	-	904
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(44,851)	-	-	(44,854)	(1,838,144)
825: Closing Cost of Removal	-	-	(3,355)	-	-	(3,355)	(29,574)
Project Net	16,008	16,067	(32,075)	16,008	16,070	(32,078)	600

Project No: 60030022 Spec Equip and Vehicles Co1

Company: 001 Electric Services
Location: 600 Electric System

Project Information

Estimated Start Date 1/1/2022

Estimated Completion Date 12/31/2032

County %				
Bernalillo	11%	Luna	10%	
Otero	1%			
Lincoln	35%			
Santa Fe	16%			
Grant	27%			

Description

This project involves the purchase of specialty equipment and vehicles needed to perform distribution-class construction and maintenance. In some instances, this will involve replacing aging and functionally obsolete equipment with newer equipment needed to perform system improvements and repairs. It will also involve the acquisition of equipment needed to support current construction programs.

Project No: **60030022** **Spec Equip and Vehicles Co1**

Project Need Justification

The reliable development and operation of the PNM system requires 1) vehicles that can access remote sites 24/7/365 under difficult conditions, 2) highly specialized tools and testing equipment, and 3) specialized equipment to perform unique work. These items are not reasonably available on-call from local providers in either the timeframe needed or with the features required to perform PNM's work. Risks of not purchasing this equipment include employee safety, extended outages, customer service issues due to response time, and inability to perform work reliably and on a reasonable schedule.
Equipment is evaluated based on the criteria below before purchasing.
1.Age of the equipment
2.How many hours it has been in use
3.Expected life cycle with or without repairs/upgrade
4.Changes in regulations for example Clean Air Act and other governmental energy regulations.
5.Excessive erosion, corrosion, and fatigue.
6.Changes in business standards current equipment no longer can pull, push, pickup, blow, haul, or hold the additional load capacities. These new loads may push equipment pressures past there intended use or ratings. Having new equipment has been vital to provide better service, quicker restoration of outages, and increased safety and productivity for our work teams. The local leaders evaluate the current equipment and how it is assisting the work teams in completing tasks. They evaluate the ability to access all sites, including difficult to access locations, as well as functionality to complete the work. These evaluations help in specifying new equipment to make the work efficient, effective and as safe as possible for our work teams.
7.The availability of replacement components.
8.Maintenance costs exceed costs of replacement.
9.Advancement in newer equipment saving time and labor.
10.Rental cost that reaches a third of the equipment cost are evaluated.

Project No: 60030022 Spec Equip and Vehicles Co1

Project Alternatives

The alternative would be to use older equipment or lease the equipment. The purchases in this project have been evaluated for need, and the benefits of purchasing have been compared to the benefits of leasing. Equipment that was identified as being more preferable to lease will be leased and is therefore not included in this project. For the remaining items, there are no other alternatives other than to replace with new equipment.

Project No: **60030022** **Spec Equip and Vehicles Co1**

Project Estimate Approach	Project costs have been estimated using specifications for individual purchases with several criteria, including vendor experience with PNM and/or utilities, ability to standardize equipment, ease of operation, warranty, and critical work requirements. In conjunction with PNM's Fleet Department, bids were solicited and evaluated prior to commitment of funds.

Project No: **60030022** **Spec Equip and Vehicles Co1**

Customer Benefit	Customers benefit from this project from decreased or shorter duration outages.

Project No: **60030022** **Spec Equip and Vehicles Co1**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 60030022 Spec Equip and Vehicles Co1

General Services

Having appropriate specialized equipment for certain common and vital service work helps ensure tasks and repairs will be performed faster and more accurately and systems will be restored quickly. Additionally, specialized equipment helps avoid employee and public safety incidents as well as avoid damage to public property.

Reliability & Resiliency

This project will improve reliability because work will be performed faster and more accurately, and systems will be restored quickly when PNM crews use specific equipment for specific jobs.

Safety & Security

This project will help avoid employee and public safety incidents as well as avoid damage to public property through the use of specific equipment for the type of work crews are performing.

Technology Advancements

Project No: 60030022 Spec Equip and Vehicles Co1

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	3,683,011	-	-	-	-	-	-	3,683,011
370: Outside Services	1,549	35,506	35,506	35,506	35,506	35,506	49,675	228,754
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	17,667	104	236	366	509	642	806	20,330
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	75,105	-	-	-	-	-	-	75,105
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	141,653	1,846	1,846	1,846	1,846	1,846	2,583	153,468
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(3,908,570)	-	-	-	-	-	(235,145)	(4,143,715)
825: Closing Cost of Removal	-	-	-	-	-	-	(16,731)	(16,731)
Project Net	10,415	37,456	37,588	37,719	37,861	37,994	(198,813)	220

Project No: **60030022** **Spec Equip and Vehicles Co1**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	3,683,011	-	-	-	-	-	-
370: Outside Services	228,754	36,687	36,687	36,687	36,687	36,687	36,687
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	20,330	68	198	345	482	641	782
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	75,105	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	153,468	1,376	1,376	1,376	1,376	1,376	1,376
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(4,143,715)	-	-	-	-	-	-
825: Closing Cost of Removal	(16,731)	-	-	-	-	-	-
Project Net	220	38,130	38,261	38,408	38,545	38,704	38,845

Project No: 60030022 Spec Equip and Vehicles Co1

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	3,683,011
370: Outside Services	36,687	36,687	36,687	558,937
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	930	1,081	1,223	26,079
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	75,105
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	1,376	1,376	1,376	165,849
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(4,143,715)
825: Closing Cost of Removal	-	-	-	(16,731)
Project Net	38,993	39,144	39,286	348,534

Project No: 60030022 Spec Equip and Vehicles Co1

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	3,683,011	-	-	-	3,683,011	-	-	-
370: Outside Services	558,937	36,687	36,687	36,687	668,998	37,046	37,046	37,046
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	26,079	1,362	1,534	1,684	30,658	72	213	369
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	75,105	-	-	-	75,105	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	165,849	1,376	1,376	1,376	169,977	1,300	1,300	1,300
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(4,143,715)	-	-	(435,109)	(4,578,824)	-	-	-
825: Closing Cost of Removal	(16,731)	-	-	(31,973)	(48,704)	-	-	-
Project Net	348,534	39,424	39,596	(427,335)	220	38,418	38,559	38,715

Project No: 60030022 Spec Equip and Vehicles Co1

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	3,683,011
370: Outside Services	37,046	37,046	37,046	37,046	37,046	37,046	1,002,412
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	515	646	814	967	1,116	1,264	36,635
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	75,105
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	1,300	1,300	1,300	1,300	1,300	1,300	181,679
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(4,578,824)
825: Closing Cost of Removal	-	-	-	-	-	-	(48,704)
Project Net	38,861	38,993	39,161	39,313	39,463	39,611	351,314

Project No: 60030526 Las Vegas Office ADA Ramp

Company: 001 Electric Services
Location: 600 Electric System

Project Information

County % San Miguel 100%

Estimated Start Date 4/1/2026

Estimated Completion Date 8/31/2026

Description

This project installs an ADA-compliant ramp at the entrance to PNM's Las Vegas office. The work includes laying out the ramp, core drilling through asphalt and placing concrete for ten foundations, assembling prefabricated aluminum ramp components, removing two existing handrails, and replacing a rusted handrail at the bottom anchor point.

Project No: **60030526** **Las Vegas Office ADA Ramp**

Project Need Justification	Due to the age of the facility only stairs lead to the front door of the property for customer entrance. To provide an accessible entrance and comply with safety standards an ADA compliant ramp was installed.

Project No: **60030526** **Las Vegas Office ADA Ramp**

Project Alternatives	The alternative considered was to reconstruct the facility's front entry way to provide ADA-compliant access. This alternative would achieve the same goal but at a significantly higher cost.

Project No: **60030526** **Las Vegas Office ADA Ramp**

Project Estimate Approach	Project costs were based on obtaining a quote from a General Contractor.

Project No: **60030526** **Las Vegas Office ADA Ramp**

Customer Benefit	Customers who cannot comfortably use stairs benefit by have a safe alternative to enter our facility.

Project No: **60030526** **Las Vegas Office ADA Ramp**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **60030526** **Las Vegas Office ADA Ramp**

General Services	Safety, building codes
Reliability & Resiliency	
Safety & Security	Safety enhancement to the facility.
Technology Advancements	

Project No: 60030526 Las Vegas Office ADA Ramp

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	58,157	41,730	-	-	-	-	-	99,887
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	176	-	-	-	-	-	-	176
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	3,327	2,170	-	-	-	-	-	5,497
928: AFUDC Debt	85	203	254	-	-	-	-	542
929: AFUDC Equity	65	216	271	-	-	-	-	552
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	(103,580)	-	-	-	-	(103,580)
825: Closing Cost of Removal	-	-	(3,073)	-	-	-	-	(3,073)
Project Net	61,809	44,319	(106,128)	-	-	-	-	-

Project No: **60030526** **Las Vegas Office ADA Ramp**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	99,887	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	176	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	5,497	-	-	-	-	-	-
928: AFUDC Debt	542	-	-	-	-	-	-
929: AFUDC Equity	552	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(103,580)	-	-	-	-	-	-
825: Closing Cost of Removal	(3,073)	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **60030526** **Las Vegas Office ADA Ramp**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	99,887
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	176
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	5,497
928: AFUDC Debt	-	-	-	542
929: AFUDC Equity	-	-	-	552
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(103,580)
825: Closing Cost of Removal	-	-	-	(3,073)
Project Net	-	-	-	-

Project No: 60030526 Las Vegas Office ADA Ramp

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	99,887	-	-	-	99,887	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	176	-	-	-	176	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	5,497	-	-	-	5,497	-	-	-
928: AFUDC Debt	542	-	-	-	542	-	-	-
929: AFUDC Equity	552	-	-	-	552	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(103,580)	-	-	-	(103,580)	-	-	-
825: Closing Cost of Removal	(3,073)	-	-	-	(3,073)	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **60030526** **Las Vegas Office ADA Ramp**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	99,887
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	176
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	5,497
928: AFUDC Debt	-	-	-	-	-	-	542
929: AFUDC Equity	-	-	-	-	-	-	552
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(103,580)
825: Closing Cost of Removal	-	-	-	-	-	-	(3,073)
Project Net	-	-	-	-	-	-	-

Project No: 60034022 Fleet Tool Blanket

Company: 001 Electric Services
Location: 600 Electric System

Project Information

County %		
Grant		50%
Santa Fe		50%

Estimated Start Date 2/17/2022

Estimated Completion Date 12/31/2030

Description

This project will replace worn or broken equipment as outlined under PNM's Capitalization Guidelines Policy 226.1 for PNM's New Mexico fleet operational areas. Use of tools that are worn out or broken represent a direct risk to the safety of employees and directly violates PNM's Employee Safety Manual. Tools that meet the capitalization threshold values must be replaced under the capitalization policy. Currently, this department does not have a capital tools account.

Project No: **60034022** **Fleet Tool Blanket**

Project Need Justification	Tools are worn out or broken, representing a direct risk to the safety of employees and directly violating PNM's Employee Safety Manual.

Project No: **60034022** **Fleet Tool Blanket**

Project Alternatives

The alternative to a separate capital tool account is to charge tool replacements or acquisitions to the fleet overhead, which represents an O&M impact to the business units. Not purchasing tools and equipment will negatively impact PNM employees' ability to perform distribution work, which potentially increases cost as more time and effort may be required without the proper tools needed. Specific alternatives as to the type of tools and equipment purchase will be evaluated at the time of replacement.

Project No: **60034022** **Fleet Tool Blanket**

Project Estimate Approach	Not required for projects with less than $250,000 of expenditures.

Project No: **60034022** **Fleet Tool Blanket**

Customer Benefit	Customers benefit from this project as PNM employees with the right tools may respond and restore outages more quickly, improving the reliability of customers' electricity service.

Project No: 60034022 Fleet Tool Blanket

Primary Value Driver	General Services
Compliance	The tools purchased will be able to service and repair the fleet vehicles more quickly. By being able to repair vehicles in house this will increase how quickly vehicles are back on the road.
Customer Delivery	
Energy Transition	

Project No: 60034022 Fleet Tool Blanket

General Services	This project improves PNM personnel access to safe and necessary tools to respond vehicle and equipment repairs as quickly as possible.
Reliability & Resiliency	This project improves overall reliability by ensuring PNM employees have access to tools necessary to respond and restore outages as quickly as possible. Customers benefit from this project as PNM employees with the right tools may respond and restore outages more quickly, improving reliability of customers' electricity service.
Safety & Security	Having the proper tools and equipment needed to conduct work will ensure PNM employees are able to perform work safely and effectively.
Technology Advancements	

Project No: 60034022 Fleet Tool Blanket

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	109,389	-	9,287	9,287	-	929	-	128,891
370: Outside Services	1,054	-	-	-	-	-	-	1,054
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	260	-	-	-	-	-	-	260
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	2,077	-	2,116	2,116	-	212	-	6,521
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	4,923	-	483	483	-	48	-	5,937
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(116,584)	-	-	-	-	-	(24,330)	(140,915)
825: Closing Cost of Removal	-	-	-	-	-	-	(1,747)	(1,747)
Project Net	1,119	-	11,886	11,886	-	1,189	(26,078)	2

Project No: **60034022** **Fleet Tool Blanket**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	128,891	-	4,508	4,508	-	-	6,311
370: Outside Services	1,054	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	260	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	6,521	-	756	756	-	-	1,058
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	5,937	-	169	169	-	-	237
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(140,915)	-	-	-	-	-	-
825: Closing Cost of Removal	(1,747)	-	-	-	-	-	-
Project Net	2	-	5,433	5,433	-	-	7,606

Project No: **60034022** **Fleet Tool Blanket**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	9,016	-	9,016	162,250
370: Outside Services	-	-	-	1,054
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	260
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	1,512	-	1,512	12,115
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	338	-	338	7,188
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(140,915)
825: Closing Cost of Removal	-	-	-	(1,747)
Project Net	10,866	-	10,866	40,206

Project No: 60034022 Fleet Tool Blanket

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	162,250	-	902	-	163,152	-	8,839	8,839
370: Outside Services	1,054	-	-	-	1,054	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	260	-	-	-	260	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	12,115	-	151	-	12,266	-	1,482	1,482
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	7,188	-	34	-	7,222	-	310	310
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(140,915)	-	-	(38,400)	(179,315)	-	-	-
825: Closing Cost of Removal	(1,747)	-	-	(2,890)	(4,638)	-	-	-
Project Net	40,206	-	1,087	(41,291)	2	-	10,631	10,631

Project No: **60034022** **Fleet Tool Blanket**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	4,420	4,420	-	6,188	195,858
370: Outside Services	-	-	-	-	-	-	1,054
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	260
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	741	741	-	1,038	17,750
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	155	155	-	217	8,370
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(179,315)
825: Closing Cost of Removal	-	-	-	-	-	-	(4,638)
Project Net	-	-	5,316	5,316	-	7,443	39,340

Project No: 64830023 Spec Equip and Vehicles Co2

Company: 002 Transmission Services
Location: 648 Transmission General 2

Project Information

County %	Bernalillo	100%

Estimated Start Date 1/1/2022

Estimated Completion Date 12/31/2032

Description

This project involves purchasing specialty transmission class equipment and vehicles needed to perform capital and maintenance work on PNM's 69kV, 115kV, 230kV and 345kV transmission system. Specialty vehicles are needed to accommodate the rough terrain and access issues faced across the state, and specialized tools and testing equipment are needed to perform the work required to ensure the safe operation of these assets.

Project No: **64830023** **Spec Equip and Vehicles Co2**

Project Need Justification

The reliable development and operation of the PNM system requires 1) vehicles that can access remote sites 24/7/365 under difficult conditions; 2) highly specialized tools and testing equipment; and 3) specialized equipment to perform unique work. Experience has shown that these items are not reasonably available when needed from local providers in either the time frame needed or with the features required to perform PNM's work. The risks of not having the necessary vehicles and equipment on-hand include delays to response times, restoration of service, and performance of required inspections and maintenance. Furthermore, newer vehicles and equipment have enhanced safety features that will reduce the safety risk to company personnel.

Project No: **64830023** **Spec Equip and Vehicles Co2**

Project Alternatives

The only alternative to do nothing. This alternative was not selected because purchasing specialized equipment and vehicles ensures company access to them when needed. Furthermore, the newer equipment has improved safety features that will reduce the risk of injury to employees and/or damage to property.

Project No: **64830023** **Spec Equip and Vehicles Co2**

Project Estimate Approach

The project cost estimate was developed by evaluating the specifications for individual purchases. Specifically, vendor experience with PNM, ability to standardize equipment, ease of operation, warranty, and critical work requirements were considered for this project. Additionally, in conjunction with PNM's Fleet Department, a competitive-bid process was utilized to award work based on cost, safety performance and other factors.

Project No: **64830023** **Spec Equip and Vehicles Co2**

Customer Benefit	By enabling crews to efficiently access and work on transmission assets in rough terrain, the risk of delayed maintenance and/or service restoration are reduced.

Project No: **64830023** **Spec Equip and Vehicles Co2**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **64830023** **Spec Equip and Vehicles Co2**

General Services

Reliability & Resiliency

Specialized vehicles and equipment will enable crews to access transmission assets easier, and perform the necessary work faster and more efficiently which should reduce the length of outages and improve system reliability.

Safety & Security

The newer vehicles and equipment have improved safety features that will reduce the risk of employee and public safety incidents and damage to property.

Technology Advancements

Project No: 64830023 Spec Equip and Vehicles Co2

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	25,007	-	-	-	-	-	-	25,007
120: Overtime-General	2,828	-	-	-	-	-	-	2,828
350: Material Issues-Major	1,587,101	28,324	28,324	28,324	40,397	28,324	24,145	1,764,941
370: Outside Services	829	-	-	-	-	-	-	829
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	9,268	417	535	648	805	947	1,061	13,681
610: Expenses - General	10,048	-	-	-	-	-	-	10,048
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,198	-	-	-	-	-	-	2,198
914: Pension and Benefits	7,141	-	-	-	-	-	-	7,141
915: Injuries and Damages	1,949	-	-	-	-	-	-	1,949
921: Stores Load	6,251	1,215	1,215	1,215	1,732	1,215	1,035	13,877
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	65,486	1,473	1,473	1,473	2,101	1,473	1,256	74,734
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,621,173)	-	-	-	-	-	(290,562)	(1,911,735)
825: Closing Cost of Removal	-	-	-	-	-	-	(3,894)	(3,894)
Project Net	96,934	31,429	31,546	31,660	45,035	31,959	(266,959)	1,604

Project No: **64830023** **Spec Equip and Vehicles Co2**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	25,007	-	-	-	-	-	-
120: Overtime-General	2,828	-	-	-	-	-	-
350: Material Issues-Major	1,764,941	25,809	25,809	25,809	25,809	25,809	25,809
370: Outside Services	829	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	13,681	52	151	264	368	490	598
610: Expenses - General	10,048	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	2,198	-	-	-	-	-	-
914: Pension and Benefits	7,141	-	-	-	-	-	-
915: Injuries and Damages	1,949	-	-	-	-	-	-
921: Stores Load	13,877	843	843	843	843	843	843
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	74,734	968	968	968	968	968	968
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,911,735)	-	-	-	-	-	-
825: Closing Cost of Removal	(3,894)	-	-	-	-	-	-
Project Net	1,604	27,672	27,772	27,884	27,989	28,111	28,219

Project No: **64830023** **Spec Equip and Vehicles Co2**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	25,007
120: Overtime-General	-	-	-	2,828
350: Material Issues-Major	25,809	25,809	25,809	1,997,222
370: Outside Services	-	-	-	829
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	711	827	935	18,077
610: Expenses - General	-	-	-	10,048
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	2,198
914: Pension and Benefits	-	-	-	7,141
915: Injuries and Damages	-	-	-	1,949
921: Stores Load	843	843	843	21,468
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	968	968	968	83,444
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,911,735)
825: Closing Cost of Removal	-	-	-	(3,894)
Project Net	28,331	28,447	28,555	254,583

Project No: 64830023 Spec Equip and Vehicles Co2

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	25,007	-	-	-	25,007	-	-	-
120: Overtime-General	2,828	-	-	-	2,828	-	-	-
350: Material Issues-Major	1,997,222	25,809	25,809	25,809	2,074,649	26,062	26,062	26,062
370: Outside Services	829	-	-	-	829	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	18,077	1,041	1,173	1,288	21,579	55	163	282
610: Expenses - General	10,048	-	-	-	10,048	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,198	-	-	-	2,198	-	-	-
914: Pension and Benefits	7,141	-	-	-	7,141	-	-	-
915: Injuries and Damages	1,949	-	-	-	1,949	-	-	-
921: Stores Load	21,468	843	843	843	23,998	852	852	852
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	83,444	968	968	968	86,348	915	915	915
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,911,735)	-	-	(332,712)	(2,244,447)	-	-	-
825: Closing Cost of Removal	(3,894)	-	-	(6,629)	(10,523)	-	-	-
Project Net	254,583	28,661	28,793	(310,433)	1,604	27,884	27,991	28,110

Project No: **64830023** **Spec Equip and Vehicles Co2**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	25,007
120: Overtime-General	-	-	-	-	-	-	2,828
350: Material Issues-Major	26,062	26,062	26,062	26,062	26,062	26,062	2,309,207
370: Outside Services	-	-	-	-	-	-	829
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	394	494	623	739	854	967	26,149
610: Expenses - General	-	-	-	-	-	-	10,048
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	2,198
914: Pension and Benefits	-	-	-	-	-	-	7,141
915: Injuries and Damages	-	-	-	-	-	-	1,949
921: Stores Load	852	852	852	852	852	852	31,664
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	915	915	915	915	915	915	94,581
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(2,244,447)
825: Closing Cost of Removal	-	-	-	-	-	-	(10,523)
Project Net	28,222	28,323	28,451	28,568	28,682	28,795	256,631

Project No: 65028040 FERC 881

Company: 002 Transmission Services
Location: 650 Transmission General

Project Information

County % Bernalillo 100%

Estimated Start Date 10/6/2022

Estimated Completion Date 12/31/2026

Description

FERC Order 881 requires U.S. transmission providers, including Independent System Operators and/or Regional Transmission Operators, to develop and implement Ambient Adjusted Ratings (AAR) for transmission lines over which they provide service by July 12, 2025. This project involves conducting a system-wide weather study and performing specialized engineering analysis of the study results to ensure compliance with FERC 881.

Project No: **65028040** **FERC 881**

Project Need Justification	This project is needed to comply with a FERC requirement that becomes effective 7/12/2025.

Project No: **65028040** **FERC 881**

Project Alternatives	The only alternative is to do nothing. This alternative was not selected as this project is a FERC requirement.

Project No: **65028040** **FERC 881**

Project Estimate Approach	Project estimate is based on vendor discussions and quotes to 1) conduct a system-wide weather study; and 2) conduct specialized engineering studies based on study results to identify improvements needed to comply with FERC 881.

Project No: **65028040** **FERC 881**

Customer Benefit	Ensures compliance with requirements established in FERC 881. Failure to comply subjects the company to fines and other penalties.

Project No:	**65028040** **FERC 881**
Primary Value Driver	Compliance
Compliance	This project is needed to comply with a FERC requirement that becomes effective 7/12/2025.
Customer Delivery	
Energy Transition	

Project No: **65028040** **FERC 881**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Project No: 65028040 FERC 881

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	335,545	59,955	59,955	59,955	59,955	59,955	59,955	695,273
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	544,947	-	-	-	-	750	750	546,448
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	92,602	2,502	2,502	2,502	2,502	2,502	2,502	107,613
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	75,727	935	1,293	1,642	2,039	2,400	2,775	86,811
610: Expenses - General	168,385	-	-	-	-	-	-	168,385
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	26,386	4,569	4,569	4,569	4,569	4,569	4,569	53,797
914: Pension and Benefits	61,959	11,158	11,158	11,158	11,158	11,158	11,158	128,904
915: Injuries and Damages	63,385	11,871	11,871	11,871	11,871	11,871	11,871	134,611
921: Stores Load	1,957	-	-	-	-	-	-	1,957
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	50,495	3,248	3,248	3,248	3,248	3,287	3,287	70,060
928: AFUDC Debt	3,119	-	-	-	-	-	-	3,119
929: AFUDC Equity	2,497	-	-	-	-	-	-	2,497
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,221,628)	-	-	-	-	-	(773,311)	(1,994,939)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	205,376	94,236	94,594	94,943	95,341	96,491	(676,445)	4,535

Project No: **65028040** **FERC 881**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	695,273	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	546,448	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	107,613	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	86,811	-	-	-	-	-	-
610: Expenses - General	168,385	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	53,797	-	-	-	-	-	-
914: Pension and Benefits	128,904	-	-	-	-	-	-
915: Injuries and Damages	134,611	-	-	-	-	-	-
921: Stores Load	1,957	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	70,060	-	-	-	-	-	-
928: AFUDC Debt	3,119	-	-	-	-	-	-
929: AFUDC Equity	2,497	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,994,939)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	4,535	-	-	-	-	-	-

Project No: **65028040** **FERC 881**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	695,273
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	546,448
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	107,613
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	86,811
610: Expenses - General	-	-	-	168,385
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	53,797
914: Pension and Benefits	-	-	-	128,904
915: Injuries and Damages	-	-	-	134,611
921: Stores Load	-	-	-	1,957
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	70,060
928: AFUDC Debt	-	-	-	3,119
929: AFUDC Equity	-	-	-	2,497
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,994,939)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	4,535

Project No: 65028040 FERC 881

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	695,273	-	-	-	695,273	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	546,448	-	-	-	546,448	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	107,613	-	-	-	107,613	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	86,811	-	-	-	86,811	-	-	-
610: Expenses - General	168,385	-	-	-	168,385	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	53,797	-	-	-	53,797	-	-	-
914: Pension and Benefits	128,904	-	-	-	128,904	-	-	-
915: Injuries and Damages	134,611	-	-	-	134,611	-	-	-
921: Stores Load	1,957	-	-	-	1,957	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	70,060	-	-	-	70,060	-	-	-
928: AFUDC Debt	3,119	-	-	-	3,119	-	-	-
929: AFUDC Equity	2,497	-	-	-	2,497	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,994,939)	-	-	-	(1,994,939)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	4,535	-	-	-	4,535	-	-	-

Project No: 65028040 FERC 881

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	695,273
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	546,448
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	107,613
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	86,811
610: Expenses - General	-	-	-	-	-	-	168,385
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	53,797
914: Pension and Benefits	-	-	-	-	-	-	128,904
915: Injuries and Damages	-	-	-	-	-	-	134,611
921: Stores Load	-	-	-	-	-	-	1,957
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	70,060
928: AFUDC Debt	-	-	-	-	-	-	3,119
929: AFUDC Equity	-	-	-	-	-	-	2,497
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,994,939)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	4,535

Project No: 65028126 NERC PRC-027 CORE Software

Company: 002 Transmission Services
Location: 650 Transmission General

Project Information

County %	Bernalillo	100%

Estimated Start Date 4/1/2026

Estimated Completion Date 7/31/2028

Description

In order to maintain compliance with new regulation NERC PRC-027, PNM needs to integrate transmission relay settings from its PowerBase power management system with the system modeling in another system called Aspen OneLiner. This is used to perform short circuit and coordination studies. The project will proceed to investigate, design, and implement a suitable integration that satisfies the new regulation by its deadline, July 2027.

Project No: 65028126 NERC PRC-027 CORE Software

Project Need Justification

NERC Reliability Standard PRC-027 requires transmission owners to maintain and periodically review the coordination of protection system settings to ensure that protective relays operate correctly during system disturbances and fault conditions. Compliance with the standard depends on maintaining accurate and consistent relay settings and system modeling information used in protection coordination and short-circuit studies. Currently, key relay settings are maintained within the PowerBase asset management system while engineering studies are performed using Aspen OneLiner. The absence of a direct integration increases the potential for discrepancies between system records and engineering models and requires significant manual effort to maintain consistency. The NERC PRC-027 CORE Software project is necessary to establish an automated interface between these systems, improve data accuracy, support compliance with the July 2027 regulatory deadline, and strengthen the reliability of protection coordination processes that help safeguard the electric grid.

Project No: **65028126** **NERC PRC-027 CORE Software**

Project Alternatives

Alternative 1) Continue using manual processes to transfer relay setting information between PowerBase and Aspen OneLiner. While this approach could satisfy short-term operational needs, it would require ongoing manual effort, increase the potential for data inconsistencies, and make compliance activities more difficult to manage and validate.

Alternative 2) Develop and maintain separate databases or spreadsheets to manage relay coordination data outside of the existing systems. Although technically feasible, this option would introduce duplicate data management processes, increase administrative burden, and create additional risks associated with maintaining multiple sources of record.

Project No: **65028126** **NERC PRC-027 CORE Software**

Project Estimate Approach

Project estimates were developed using the experience of engineering, integration, and application support personnel who have previously implemented system-to-system integrations involving utility engineering, asset management, and operational technology platforms. Estimating assumptions were informed by prior interface development efforts involving enterprise applications, database integrations, asset management systems, and engineering analysis tools of comparable complexity. Cost projections include requirements gathering, solution design, software development, testing, deployment, and project management activities necessary to establish and support the PowerBase-to-Aspen OneLiner integration. Historical performance data from similar integration projects was used to validate anticipated labor requirements, implementation timelines, and overall project costs.

Project No: **65028126** **NERC PRC-027 CORE Software**

Customer Benefit

Customers benefit from the reliable operation of the electric transmission system that delivers power throughout PNM's service territory. The NERC PRC-027 CORE Software project improves the accuracy and consistency of protection coordination data used in power system studies and relay settings management. By establishing an automated integration between PowerBase and Aspen OneLiner, the project reduces the potential for data discrepancies, improves engineering efficiency, and supports the proper operation of protective devices during fault conditions and system disturbances. Improved protection coordination helps minimize the risk of unnecessary equipment outages, reduces the likelihood of service interruptions, and supports the continued reliability and resiliency of the electric system that customers depend upon every day.

Project No: **65028126** **NERC PRC-027 CORE Software**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **65028126** **NERC PRC-027 CORE Software**

General Services

Reliability & Resiliency

Although PNM has not encountered the risks to its grid that the new NERC regulation is intended to mitigate, those risks are ever-present and must be addressed across the entire grid so that PNM doesn't become a weak link or point of failure in the nation's need for electric reliability and resilience.

Safety & Security

Technology Advancements

Project No: 65028126 NERC PRC-027 CORE Software

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	8,738	8,738	7,295	7,282	7,282	5,340	44,674
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	145,955	145,955	145,955	145,955	145,955	145,955	875,728
370: Outside Services	-	54,369	-	-	-	-	-	54,369
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	435	1,200	1,845	2,545	3,201	3,869	13,094
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	666	666	556	555	555	407	3,404
914: Pension and Benefits	-	1,626	1,626	1,358	1,355	1,355	994	8,314
915: Injuries and Damages	-	1,730	1,730	1,444	1,442	1,442	1,057	8,845
921: Stores Load	-	6,259	6,259	6,259	6,259	6,259	6,259	37,551
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	10,871	8,044	7,969	7,968	7,968	7,867	50,688
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	230,648	174,217	172,680	173,360	174,016	171,747	1,096,668

Project No: **65028126** **NERC PRC-027 CORE Software**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	44,674	5,184	7,069	7,069	7,069	7,069	7,069
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	875,728	141,704	29,063	29,063	29,063	29,063	29,063
370: Outside Services	54,369	-	70,695	70,695	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	13,094	4,491	4,905	5,585	5,889	6,275	6,443
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	3,404	428	584	584	584	584	584
914: Pension and Benefits	8,314	984	1,342	1,342	1,342	1,342	1,342
915: Injuries and Damages	8,845	983	1,340	1,340	1,340	1,340	1,340
921: Stores Load	37,551	4,631	950	950	950	950	950
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	50,688	5,508	4,006	4,006	1,355	1,355	1,355
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	1,096,668	163,913	119,954	120,635	47,593	47,978	48,146

Project No: **65028126** **NERC PRC-027 CORE Software**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	7,069	7,069	7,069	106,410
120: Overtime-General	-	-	-	-
350: Material Issues-Major	29,063	29,063	29,063	1,249,936
370: Outside Services	-	-	-	195,759
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	6,660	6,892	7,057	67,290
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	584	584	584	8,504
914: Pension and Benefits	1,342	1,342	1,342	20,037
915: Injuries and Damages	1,340	1,340	1,340	20,551
921: Stores Load	950	950	950	49,780
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	1,355	1,355	1,355	72,338
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	48,363	48,595	48,761	1,790,605

Project No: 65028126 NERC PRC-027 CORE Software

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	106,410	7,069	7,069	7,069	127,617	6,931	6,931	6,931
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,249,936	29,063	29,063	29,063	1,337,125	28,494	28,494	28,494
370: Outside Services	195,759	-	-	-	195,759	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	67,290	7,212	7,532	7,734	89,768	7,926	7,969	8,475
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	8,504	584	584	584	10,255	573	573	573
914: Pension and Benefits	20,037	1,342	1,342	1,342	24,065	1,316	1,316	1,316
915: Injuries and Damages	20,551	1,340	1,340	1,340	24,571	1,314	1,314	1,314
921: Stores Load	49,780	950	950	950	52,630	931	931	931
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	72,338	1,355	1,355	1,355	76,403	1,243	1,243	1,243
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,790,605	48,915	49,235	49,438	1,938,193	48,728	48,771	49,277

Project No: **65028126** **NERC PRC-027 CORE Software**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	6,931	6,931	6,931	6,931	-	-	176,134
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	28,494	8,471	8,471	8,471	-	-	1,476,514
370: Outside Services	-	-	-	-	-	-	195,759
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	8,644	8,572	8,936	-	-	-	140,289
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	573	573	573	573	-	-	14,263
914: Pension and Benefits	1,316	1,316	1,316	1,316	-	-	33,278
915: Injuries and Damages	1,314	1,314	1,314	1,314	-	-	33,770
921: Stores Load	931	277	277	277	-	-	57,185
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	1,243	541	541	541	-	-	82,998
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(2,190,768)	(19,422)	-	-	(2,210,190)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	49,447	27,994	(2,162,410)	0	-	-	-

Project No: 65030610 Communications Equipment-blanket

Company: 002 Transmission Services
Location: 650 Transmission General

Project Information County % Total System 100%

Estimated Start Date 2/17/2010

Estimated Completion Date 12/31/2032

Description

The purpose of this project is to fund small ongoing communication station improvements. Specifically, this project will provide discretionary capital funding for replacement of aging equipment, station improvements, or system betterments. Examples of equipment to be purchased include Remote and Master Microwave radio systems, control boards for Distribution line devices, antennas and switches.

Project No: **65030610** **Communications Equipment-blanket**

Project Need Justification

This funding project is needed to meet obligations to customers by providing safe and reliable equipment. Additionally, this project is necessary to meet safety requirements to PNM personnel and customers. Upgrading legacy equipment allows Operators to de-energize lines, feeders and open breakers in the event of an emergency and also allow for faster restoration when repairs are made in the field.

Project No: **65030610** **Communications Equipment-blanket**

Project Alternatives

The only alternative is to not fund this blanket project. This alternative was not considered. Without funding, small substation enhancements would be grouped with larger funding projects. This grouping would delay necessary improvements and replacements of equipment that does not meet safety and regulatory requirements. Identifying legacy equipment and planning replacement prior to an emergent situation allows the system to continually function reducing outages by being proactive instead of reactive.

Project No: 65030610 Communications Equipment-blanket

Project Estimate Approach	This estimate is based on similar projects performed in the past. As this project is for emergent work and equipment, cost estimates will be gathered by supporting vendors and then a determination will be made on materials and support on a project-by-project basis. Once additional details are known, a decision will be made as to the use of internal or external labor.

Project No: **65030610 Communications Equipment-blanket**

Customer Benefit	Customer benefit is derived through extending service life or replacing aging and functionally obsolete equipment and systems. This positively impacts system reliability by mitigating unplanned outages. This improvement to system reliability will benefit customers. Identifying legacy equipment and planning replacement prior to an emergent situation allows the system to continually function reducing outages by being proactive instead of reactive.

Project No: **65030610 Communications Equipment-blanket**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **65030610** **Communications Equipment-blanket**

General Services

Reliability & Resiliency

Customer benefit is derived through extending service life or replacing aging and functionally obsolete equipment and systems. This positively impacts system reliability by mitigating unplanned outages. This improvement to system reliability will benefit customers. Identifying legacy equipment and planning replacement prior to an emergent situation allows the system to continually function reducing outages by being proactive instead of reactive.

Safety & Security

Technology Advancements

Project No: 65030610 Communications Equipment-blanket

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	54,301	3,951	3,951	3,951	3,951	3,951	3,951	78,010
120: Overtime-General	11,859	-	-	-	-	-	-	11,859
350: Material Issues-Major	674,111	3,111	3,111	3,111	3,111	3,111	3,111	692,775
370: Outside Services	187,929	9,438	9,438	9,438	9,438	9,438	9,438	244,559
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	20,311	-	-	-	-	-	-	20,311
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,832	301	301	301	301	301	301	6,638
914: Pension and Benefits	15,246	735	735	735	735	735	735	19,658
915: Injuries and Damages	5,933	782	782	782	782	782	782	10,628
921: Stores Load	4,283	133	133	133	133	133	133	5,084
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	32	1,053	1,053	1,053	1,053	1,053	1,053	6,352
926: A&G Loads	49,659	858	858	858	858	858	858	54,807
928: AFUDC Debt	11,811	97	146	196	136	185	236	12,807
929: AFUDC Equity	17,372	103	156	209	144	198	251	18,433
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,027,624)	-	-	(45,015)	-	-	(53,017)	(1,125,656)
825: Closing Cost of Removal	(740)	-	-	(642)	-	-	(932)	(2,314)
Project Net	29,316	20,563	20,666	(24,888)	20,644	20,747	(33,099)	53,949

Project No: **65030610** **Communications Equipment-blanket**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	78,010	3,199	3,199	3,199	3,199	3,199	3,199
120: Overtime-General	11,859	-	-	-	-	-	-
350: Material Issues-Major	692,775	4,890	4,890	4,890	4,890	4,890	4,890
370: Outside Services	244,559	9,344	9,344	9,344	9,344	9,344	9,344
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	20,311	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	6,638	264	264	264	264	264	264
914: Pension and Benefits	19,658	607	607	607	607	607	607
915: Injuries and Damages	10,628	607	607	607	607	607	607
921: Stores Load	5,084	160	160	160	160	160	160
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	6,352	2,837	2,837	2,837	2,837	2,837	2,837
926: A&G Loads	54,807	654	654	654	654	654	654
928: AFUDC Debt	12,807	143	192	243	159	209	259
929: AFUDC Equity	18,433	193	260	328	215	283	351
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,125,656)	-	-	(60,354)	-	-	(64,080)
825: Closing Cost of Removal	(2,314)	-	-	(1,143)	-	-	(1,248)
Project Net	53,949	22,897	23,014	(38,364)	22,935	23,053	(42,157)

Project No: **65030610** **Communications Equipment-blanket**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	3,199	3,199	3,199	106,801
120: Overtime-General	-	-	-	11,859
350: Material Issues-Major	4,890	4,890	4,890	736,785
370: Outside Services	9,344	9,344	9,344	328,655
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	20,311
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	264	264	264	9,017
914: Pension and Benefits	607	607	607	25,125
915: Injuries and Damages	607	607	607	16,086
921: Stores Load	160	160	160	6,522
922: Minor Material Load	-	-	-	-
925: E&S Loads	2,837	2,837	2,837	31,883
926: A&G Loads	654	654	654	60,691
928: AFUDC Debt	167	217	268	14,664
929: AFUDC Equity	226	294	362	20,945
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	(65,972)	(1,316,062)
825: Closing Cost of Removal	-	-	(1,301)	(6,006)
Project Net	22,955	23,073	(44,082)	67,273

Project No: 65030610 Communications Equipment-blanket

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	106,801	3,199	3,199	3,199	116,398	2,870	2,870	2,870
120: Overtime-General	11,859	-	-	-	11,859	-	-	-
350: Material Issues-Major	736,785	4,890	4,890	4,890	751,455	6,185	6,185	6,185
370: Outside Services	328,655	9,344	9,344	9,344	356,687	9,286	9,286	9,286
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	20,311	-	-	-	20,311	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	9,017	264	264	264	9,809	237	237	237
914: Pension and Benefits	25,125	607	607	607	26,948	545	545	545
915: Injuries and Damages	16,086	607	607	607	17,906	544	544	544
921: Stores Load	6,522	160	160	160	7,001	202	202	202
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	31,883	2,837	2,837	2,837	40,393	2,950	2,950	2,950
926: A&G Loads	60,691	654	654	654	62,652	644	644	644
928: AFUDC Debt	14,664	171	221	272	15,329	171	222	274
929: AFUDC Equity	20,945	232	300	368	21,844	270	351	432
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,316,062)	-	-	(66,934)	(1,382,996)	-	-	(68,817)
825: Closing Cost of Removal	(6,006)	-	-	(1,327)	(7,334)	-	-	(1,368)
Project Net	67,273	22,965	23,083	(45,060)	68,261	23,904	24,036	(46,016)

Project No: **65030610** **Communications Equipment-blanket**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	2,870	2,870	2,870	2,870	2,870	2,870	142,228
120: Overtime-General	-	-	-	-	-	-	11,859
350: Material Issues-Major	6,185	6,185	6,185	6,185	6,185	6,185	807,120
370: Outside Services	9,286	9,286	9,286	9,286	9,286	9,286	440,261
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	20,311
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	237	237	237	237	237	237	11,943
914: Pension and Benefits	545	545	545	545	545	545	31,853
915: Injuries and Damages	544	544	544	544	544	544	22,803
921: Stores Load	202	202	202	202	202	202	8,821
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	2,950	2,950	2,950	2,950	2,950	2,950	66,943
926: A&G Loads	644	644	644	644	644	644	68,446
928: AFUDC Debt	175	226	278	177	228	280	17,360
929: AFUDC Equity	276	357	438	280	360	442	25,050
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(69,775)	-	-	(70,262)	(1,591,850)
825: Closing Cost of Removal	-	-	(1,388)	-	-	(1,398)	(11,487)
Project Net	23,915	24,047	(46,984)	23,920	24,052	(47,475)	71,660

Project No: 65031922 Gen Svcs Bldg Maint Blanket-Trans

Company: 002 Transmission Services
Location: 650 Transmission General

Project Information

County %	Bernalillo	100%

Estimated Start Date 1/1/2021

Estimated Completion Date 12/31/2032

Description

This project covers the allocated funds for the General Services organization to support various New Mexico Transmission Operations facility improvement initiatives. Projects may include the routine maintenance, upgrade, and/or replacement of items such as heating, ventilation, and air conditioning (HVAC) systems, pumps, compressors, interior/exterior remodels, office furnishings, general equipment replacements, and infrastructure improvements (e.g., roofs, etc.) as needs are identified. General Services and Building Maintenance personnel will coordinate efforts with New Mexico Transmission Operations personnel to prioritize and respond to requests.

Project No: 65031922 Gen Svcs Bldg Maint Blanket-Trans

Project Need Justification

This project is needed to repair and replace equipment in PNM's Transmission facilities. These repairs ensure a safe environment for PNM personnel and reduce the risk of catastrophic equipment failures that could impact the ability to use these spaces and require more costly repairs. Individual project funding requirements are appropriately reviewed with internal/external subject matter experts as situations arise to determine the best course of action for safe and economical problem resolution. Architectural and engineering professionals are often consulted to provide input and/or recommendations to help drive decisions for remediation and compliance.

Project No: 65031922 Gen Svcs Bldg Maint Blanket-Trans

Project Alternatives

If blanket capital funding is unavailable, building repairs will be prioritized and funded through the Operations & Maintenance (O&M) budget, or individual projects specific to capital requests. Using O&M to fund major building repairs places additional pressure on operational budgets and reduces funds available for normal maintenance and service delivery.

Project No: **65031922** **Gen Svcs Bldg Maint Blanket-Trans**

Project Estimate Approach	Project costs were estimated based on similar work performed in the past. Individual pieces of equipment repaired/replaced as part of this project are evaluated by internal subject matter experts to determine how best to proceed with recommended solutions, including whether outside expertise (e.g., engineering and contractor support) is needed for cost, safety and operational efficiencies.

Project No: **65031922 Gen Svcs Bldg Maint Blanket-Trans**

Customer Benefit

Ensuring that PNM personnel have access to safe and secure buildings that meet their operational needs is vital. This provision allows them to concentrate fully on their primary mission, which is to provide reliable and efficient service to customers. When employees work in facilities that are well-maintained and tailored to their requirements, it enhances their ability to perform tasks effectively. Additionally, a safe working environment not only boosts morale but also fosters a sense of responsibility and care among employees. Ultimately, this focus supports the overall goal of delivering high-quality service, ensuring that customers receive the best experience possible.

Project No: **65031922** **Gen Svcs Bldg Maint Blanket-Trans**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 65031922 Gen Svcs Bldg Maint Blanket-Trans

General Services	This approach involves creating a single, comprehensive estimate that covers a broad range of anticipated maintenance tasks and associated costs. Instead of detailing each individual repair or preventative measure, this blanket estimate provides a generalized financial allocation.
Reliability & Resiliency	
Safety & Security	Specific facility improvements funded by the project often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues. These investments all address any identified safety/security concerns.
Technology Advancements	

Project No: 65031922 Gen Svcs Bldg Maint Blanket-Trans

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	676,896	-	-	21,127	42,569	-	41,127	781,720
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	1,836	-	-	-	-	-	-	1,836
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	15,035	-	-	-	-	-	-	15,035
926: A&G Loads	31,458	-	-	1,099	2,214	-	2,139	36,909
928: AFUDC Debt	1,600	-	-	27	108	163	216	2,113
929: AFUDC Equity	1,622	-	-	29	115	173	230	2,169
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(697,000)	-	-	-	-	-	(109,129)	(806,130)
825: Closing Cost of Removal	(31,447)	-	-	-	-	-	(2,205)	(33,652)
Project Net	(0)	-	-	22,281	45,006	336	(67,623)	(0)

Project No: **65031922** **Gen Svcs Bldg Maint Blanket-Trans**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	781,720	-	-	20,512	-	-	20,512
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	1,836	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	15,035	-	-	-	-	-	-
926: A&G Loads	36,909	-	-	769	-	-	769
928: AFUDC Debt	2,113	-	-	23	47	47	70
929: AFUDC Equity	2,169	-	-	31	63	63	95
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(806,130)	-	-	-	-	-	-
825: Closing Cost of Removal	(33,652)	-	-	-	-	-	-
Project Net	(0)	-	-	21,336	109	110	21,446

Project No: 65031922 Gen Svcs Bldg Maint Blanket-Trans

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	20,512	843,256
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	1,836
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	15,035
926: A&G Loads	-	-	769	39,216
928: AFUDC Debt	94	94	118	2,606
929: AFUDC Equity	127	128	160	2,836
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(806,130)
825: Closing Cost of Removal	-	-	-	(33,652)
Project Net	221	222	21,559	65,003

Project No: 65031922 Gen Svcs Bldg Maint Blanket-Trans

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	843,256	-	-	20,512	863,768	-	-	20,110
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	1,836	-	-	-	1,836	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	15,035	-	-	-	15,035	-	-	-
926: A&G Loads	39,216	-	-	769	39,985	-	-	706
928: AFUDC Debt	2,606	142	143	166	3,056	-	-	22
929: AFUDC Equity	2,836	192	193	225	3,446	-	-	35
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(806,130)	-	-	(85,643)	(891,772)	-	-	-
825: Closing Cost of Removal	(33,652)	-	-	(1,702)	(35,355)	-	-	-
Project Net	65,003	334	335	(65,672)	(0)	-	-	20,873

Project No: **65031922** **Gen Svcs Bldg Maint Blanket-Trans**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	20,110	-	-	20,110	924,098
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	1,836
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	15,035
926: A&G Loads	-	-	706	-	-	706	42,103
928: AFUDC Debt	45	45	67	90	91	113	3,529
929: AFUDC Equity	70	71	106	142	143	179	4,192
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(891,772)
825: Closing Cost of Removal	-	-	-	-	-	-	(35,355)
Project Net	115	116	20,990	232	233	21,108	63,667

Project No: **65034010** **Co2 Tools & Equipment**

Company: 002 Transmission Services
Location: 650 Transmission General

Project Information County % Total System 100%

Estimated Start Date 12/7/2009

Estimated Completion Date 12/31/2032

Description

The purpose of this project is to purchase new tools and equipment to be used in construction and maintenance by the Transmission Line Department. Specifically, these tools are used to read meters, voltages, etc. Equipment such as phasing testers, crimper kits with cutting jaws, conductive suits and plasma cutters.

Project No: **65034010 Co2 Tools & Equipment**

Project Need Justification

The Transmission Line Department routinely evaluates the quality of its tools and equipment. As part of these routine inspection, tools and equipment that are at the end of useful life, damaged, or broken are identified as needing to be replaced. This equipment needs to be replaced to ensure PNM employees are working safely, efficiently, and effectively. Additionally, some equipment has become outdated and is not as effective as newer equipment.

Project No: **65034010** **Co2 Tools & Equipment**

Project Alternatives

The only alternative to this project is the do-nothing approach. This alternative is not an option because the current equipment is not conducive to safe, efficient, and effective working conditions. Alternatives for tools and equipment will be evaluated on a case-by-base basis at the time of replacement.

Project No: 65034010 Co2 Tools & Equipment

Project Estimate Approach	Project estimate was based on the historical spend on similar tools and equipment required to perform work safely and efficiently on transmission lines.

Project No: **65034010 Co2 Tools & Equipment**

Customer Benefit

Having the proper tools and equipment needed to conduct transmission work will ensure that PNM employee's time and effort are safely and effectively utilized when installing, maintaining, and/or repairing lines. Minimizing maintenance time, specifically the amount of time required to resolve an outage, reflects positively on system reliability, thereby benefiting customers.

Project No: **65034010** **Co2 Tools & Equipment**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 65034010 Co2 Tools & Equipment

General Services	Having the proper tools and equipment needed to conduct work will ensure PNM employees are able to perform work safely and effectively.
Reliability & Resiliency	Ensuring the Transmission Line Department is adequately equipped with tools and equipment positively impacts system reliability. Current equipment has reached the end of its useful life, resulting in extended maintenance time. These enhancements will prioritize effective, efficient, and safe projects by the Transmission Line Department.
Safety & Security	Working with tools that are at the end of useful life or are defective presents a safety risk to company personnel. Replacing older tools with newer tools reduces this risk.
Technology Advancements	

Project No: 65034010 Co2 Tools & Equipment

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	48	-	-	-	-	-	-	48
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,122,174	7,573	37,147	27,860	7,573	7,573	7,573	1,217,470
370: Outside Services	27,222	-	-	-	-	-	-	27,222
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	13,751	313	410	547	16	49	82	15,168
610: Expenses - General	29,637	-	-	-	-	-	-	29,637
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	3	-	-	-	-	-	-	3
914: Pension and Benefits	14	-	-	-	-	-	-	14
915: Injuries and Damages	4	-	-	-	-	-	-	4
921: Stores Load	6,076	325	1,593	1,195	325	325	325	10,163
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	435	2,136	1,602	435	435	435	5,480
926: A&G Loads	76,186	394	1,932	1,449	394	394	394	81,141
928: AFUDC Debt	196	-	-	-	-	-	-	196
929: AFUDC Equity	121	-	-	-	-	-	-	121
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,196,517)	-	-	(161,734)	-	-	(25,803)	(1,384,054)
825: Closing Cost of Removal	-	-	-	(1,673)	-	-	(524)	(2,196)
Project Net	78,915	9,039	43,217	(130,754)	8,743	8,776	(17,518)	417

Project No: **65034010** **Co2 Tools & Equipment**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	48	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	1,217,470	7,816	7,816	7,816	7,816	7,816	7,816
370: Outside Services	27,222	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	15,168	18	52	91	18	56	93
610: Expenses - General	29,637	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	3	-	-	-	-	-	-
914: Pension and Benefits	14	-	-	-	-	-	-
915: Injuries and Damages	4	-	-	-	-	-	-
921: Stores Load	10,163	255	255	255	255	255	255
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	5,480	1,172	1,172	1,172	1,172	1,172	1,172
926: A&G Loads	81,141	293	293	293	293	293	293
928: AFUDC Debt	196	-	-	-	-	-	-
929: AFUDC Equity	121	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,384,054)	-	-	(28,200)	-	-	(28,206)
825: Closing Cost of Removal	(2,196)	-	-	(572)	-	-	(572)
Project Net	417	9,555	9,589	(19,144)	9,555	9,593	(19,148)

Project No: 65034010 Co2 Tools & Equipment

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	48
120: Overtime-General	-	-	-	-
350: Material Issues-Major	7,816	7,816	7,816	1,287,814
370: Outside Services	-	-	-	27,222
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	19	56	94	15,666
610: Expenses - General	-	-	-	29,637
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	3
914: Pension and Benefits	-	-	-	14
915: Injuries and Damages	-	-	-	4
921: Stores Load	255	255	255	12,461
922: Minor Material Load	-	-	-	-
925: E&S Loads	1,172	1,172	1,172	16,031
926: A&G Loads	293	293	293	83,779
928: AFUDC Debt	-	-	-	196
929: AFUDC Equity	-	-	-	121
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	(28,208)	(1,468,667)
825: Closing Cost of Removal	-	-	(572)	(3,913)
Project Net	9,556	9,593	(19,149)	417

Project No: 65034010 Co2 Tools & Equipment

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	48	-	-	-	48	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,287,814	7,816	7,816	7,816	1,311,262	8,138	8,138	8,138
370: Outside Services	27,222	-	-	-	27,222	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	15,666	19	57	95	15,836	20	58	100
610: Expenses - General	29,637	-	-	-	29,637	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	3	-	-	-	3	-	-	-
914: Pension and Benefits	14	-	-	-	14	-	-	-
915: Injuries and Damages	4	-	-	-	4	-	-	-
921: Stores Load	12,461	255	255	255	13,228	266	266	266
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	16,031	1,172	1,172	1,172	19,548	1,221	1,221	1,221
926: A&G Loads	83,779	293	293	293	84,658	286	286	286
928: AFUDC Debt	196	-	-	-	196	-	-	-
929: AFUDC Equity	121	-	-	-	121	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,468,667)	-	-	(28,209)	(1,496,876)	-	-	(29,314)
825: Closing Cost of Removal	(3,913)	-	-	(572)	(4,485)	-	-	(595)
Project Net	417	9,556	9,594	(19,149)	417	9,930	9,968	(19,898)

Project No: **65034010** **Co2 Tools & Equipment**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	48
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	8,138	8,138	8,138	8,138	8,138	8,138	1,384,504
370: Outside Services	-	-	-	-	-	-	27,222
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	20	58	100	20	60	100	16,373
610: Expenses - General	-	-	-	-	-	-	29,637
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	3
914: Pension and Benefits	-	-	-	-	-	-	14
915: Injuries and Damages	-	-	-	-	-	-	4
921: Stores Load	266	266	266	266	266	266	15,621
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	1,221	1,221	1,221	1,221	1,221	1,221	30,535
926: A&G Loads	286	286	286	286	286	286	87,229
928: AFUDC Debt	-	-	-	-	-	-	196
929: AFUDC Equity	-	-	-	-	-	-	121
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(29,315)	-	-	(29,316)	(1,584,821)
825: Closing Cost of Removal	-	-	(595)	-	-	(595)	(6,269)
Project Net	9,930	9,969	(19,899)	9,930	9,970	(19,901)	417

Project No: **65034012** **TECH SERVICE TRANSMISSION TOOLS**

Company: 002 Transmission Services
Location: 650 Transmission General

Project Information County % Total System 100%

Estimated Start Date 7/3/2012

Estimated Completion Date 12/31/2032

Description

The purpose of this project is to purchase new tools and equipment used in the construction and maintenance activities by the Transmission Substation Department. Some of the mechanical tools are also used to perform work on transmission lines and individual substation components. Examples of tools to be purchased include Cimper kits, Arbiter multimeters, portable wet kits, multi gas detectors for confined space kits.

Project No: **65034012 TECH SERVICE TRANSMISSION TOOLS**

Project Need Justification

The Transmission Substation Department routinely evaluates the quality of its tools and equipment. As part of these routine inspection, tools and equipment that are at the end of useful life, damaged, or broken are identified as needing to be replaced. This equipment needs to be replaced to ensure PNM employees are working safely, efficiently, and effectively. Additionally, some equipment has become outdated and is not as effective as newer equipment.

Project No: **65034012 TECH SERVICE TRANSMISSION TOOLS**

Project Alternatives

The only alternative to this project is the do-nothing approach. This alternative is not an option because current equipment is not conducive to safe, efficient, and effective working conditions. Alternatives for tools and equipment will be evaluated on a case-by-base basis at the time of replacement.

Project No: **65034012 TECH SERVICE TRANSMISSION TOOLS**

Project Estimate Approach	Project estimate was based on recent historical spend on similar tools and equipment that are required for safety and compliance on Transmission Substation.

Project No: **65034012 TECH SERVICE TRANSMISSION TOOLS**

Customer Benefit	Having the proper tools and equipment needed to conduct transmission work will ensure that PNM employee's time and effort are safely and effectively utilized when installing, maintaining, and/or repairing lines. Minimizing maintenance time, specifically the amount of time required to resolve an outage, reflects positively on system reliability, thereby benefiting customers.

Project No: **65034012 TECH SERVICE TRANSMISSION TOOLS**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 65034012 TECH SERVICE TRANSMISSION TOOLS

General Services	Having the proper tools and equipment needed to conduct work will ensure PNM employees are able to perform work safely and effectively.
Reliability & Resiliency	Ensuring that the Transmission Substation Department is adequately equipped with tools and equipment positively impacts system reliability. Current equipment has reached the end of its useful life, resulting in extended maintenance time. These enhancements will prioritize effective, efficient, and safe projects by the department.
Safety & Security	Working with tools that are at the end of useful life or are defective presents a safety risk to company personnel. Replacing older tools with newer tools reduces this risk.
Technology Advancements	

Project No: 65034012 TECH SERVICE TRANSMISSION TOOLS

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	5,912	-	-	-	-	-	-	5,912
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	3,369,356	15,544	15,544	34,117	33,189	34,117	15,544	3,517,410
370: Outside Services	9,773	-	-	-	-	-	-	9,773
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	31,246	136	203	308	72	217	326	32,509
610: Expenses - General	2,680	-	-	-	-	-	-	2,680
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	451	-	-	-	-	-	-	451
914: Pension and Benefits	1,411	-	-	-	-	-	-	1,411
915: Injuries and Damages	405	-	-	-	-	-	-	405
921: Stores Load	18,669	667	667	1,463	1,423	1,463	667	25,017
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	(2,212)	894	894	1,962	1,908	1,962	894	6,302
926: A&G Loads	230,829	808	808	1,774	1,726	1,774	808	238,528
928: AFUDC Debt	503	-	-	-	-	-	-	503
929: AFUDC Equity	830	-	-	-	-	-	-	830
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(3,642,412)	-	-	(101,556)	-	-	(94,180)	(3,838,148)
825: Closing Cost of Removal	-	-	-	(1,503)	-	-	(1,909)	(3,412)
Project Net	27,440	18,048	18,115	(63,434)	38,318	39,534	(77,852)	169

Project No: **65034012** **TECH SERVICE TRANSMISSION TOOLS**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	5,912	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	3,517,410	15,854	15,854	15,854	15,854	15,854	15,854
370: Outside Services	9,773	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	32,509	36	106	185	37	114	189
610: Expenses - General	2,680	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	451	-	-	-	-	-	-
914: Pension and Benefits	1,411	-	-	-	-	-	-
915: Injuries and Damages	405	-	-	-	-	-	-
921: Stores Load	25,017	518	518	518	518	518	518
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	6,302	2,378	2,378	2,378	2,378	2,378	2,378
926: A&G Loads	238,528	595	595	595	595	595	595
928: AFUDC Debt	503	-	-	-	-	-	-
929: AFUDC Equity	830	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(3,838,148)	-	-	(57,200)	-	-	(57,213)
825: Closing Cost of Removal	(3,412)	-	-	(1,161)	-	-	(1,161)
Project Net	169	19,381	19,451	(38,832)	19,381	19,459	(38,840)

Project No: **65034012** **TECH SERVICE TRANSMISSION TOOLS**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	5,912
120: Overtime-General	-	-	-	-
350: Material Issues-Major	15,854	15,854	15,854	3,660,096
370: Outside Services	-	-	-	9,773
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	38	114	190	33,519
610: Expenses - General	-	-	-	2,680
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	451
914: Pension and Benefits	-	-	-	1,411
915: Injuries and Damages	-	-	-	405
921: Stores Load	518	518	518	29,680
922: Minor Material Load	-	-	-	-
925: E&S Loads	2,378	2,378	2,378	27,704
926: A&G Loads	595	595	595	243,879
928: AFUDC Debt	-	-	-	503
929: AFUDC Equity	-	-	-	830
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	(57,216)	(4,009,778)
825: Closing Cost of Removal	-	-	(1,161)	(6,894)
Project Net	19,383	19,459	(38,842)	169

Project No: 65034012 TECH SERVICE TRANSMISSION TOOLS

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	5,912	-	-	-	5,912	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	3,660,096	15,854	15,854	15,854	3,707,658	16,659	16,659	16,659
370: Outside Services	9,773	-	-	-	9,773	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	33,519	38	115	193	33,864	40	119	206
610: Expenses - General	2,680	-	-	-	2,680	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	451	-	-	-	451	-	-	-
914: Pension and Benefits	1,411	-	-	-	1,411	-	-	-
915: Injuries and Damages	405	-	-	-	405	-	-	-
921: Stores Load	29,680	518	518	518	31,235	544	544	544
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	27,704	2,378	2,378	2,378	34,839	2,499	2,499	2,499
926: A&G Loads	243,879	595	595	595	245,662	585	585	585
928: AFUDC Debt	503	-	-	-	503	-	-	-
929: AFUDC Equity	830	-	-	-	830	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(4,009,778)	-	-	(57,219)	(4,066,997)	-	-	(60,008)
825: Closing Cost of Removal	(6,894)	-	-	(1,161)	(8,055)	-	-	(1,217)
Project Net	169	19,382	19,460	(38,843)	169	20,327	20,406	(40,733)

Project No: 65034012 TECH SERVICE TRANSMISSION TOOLS

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	5,912
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	16,659	16,659	16,659	16,659	16,659	16,659	3,857,589
370: Outside Services	-	-	-	-	-	-	9,773
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	41	119	205	41	123	205	34,963
610: Expenses - General	-	-	-	-	-	-	2,680
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	451
914: Pension and Benefits	-	-	-	-	-	-	1,411
915: Injuries and Damages	-	-	-	-	-	-	405
921: Stores Load	544	544	544	544	544	544	36,134
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	2,499	2,499	2,499	2,499	2,499	2,499	57,328
926: A&G Loads	585	585	585	585	585	585	250,925
928: AFUDC Debt	-	-	-	-	-	-	503
929: AFUDC Equity	-	-	-	-	-	-	830
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(60,009)	-	-	(60,013)	(4,247,027)
825: Closing Cost of Removal	-	-	(1,217)	-	-	(1,217)	(11,707)
Project Net	20,328	20,406	(40,734)	20,328	20,410	(40,738)	169

Project No: 70028025 Enterprise Investment Optimization

Company: 003 Bulk Power
Location: 700 Production Division

Project Information

	County %	Bernalillo	100%

Estimated Start Date 1/1/2025

Estimated Completion Date 7/1/2026

Description

This project proposes implementing new analytical modules within the Copperleaf software to optimize investment decisions for critical infrastructure assets at a vertically integrated electric utility. The modules will leverage advanced data analysis and modeling to:

-Identify and prioritize the most critical assets, systems, and networks
-Assess interdependencies between infrastructure components
-Optimize capital investment decisions based on risk mitigation and reliability

By implementing this analytical capability, the utility will make more informed, risk-based decisions to ensure the resilience and reliability of critical energy services. The insights will also support emergency preparedness and response planning.

Project No: 70028025 Enterprise Investment Optimization

Project Need Justification	The implementation of new Copperleaf software modules will provide a data-driven, risk-based framework to optimize critical infrastructure investments and improve the resilience and reliability of essential energy services.

Project No: **70028025** **Enterprise Investment Optimization**

Project Alternatives

The only alternative to implementing the proposed Copperleaf software modules is to maintain the status quo, relying on traditional methods for investment prioritization. This approach may not adequately consider all relevant factors, such as asset criticality, interdependencies, and risk scenarios.

Project No: **70028025** **Enterprise Investment Optimization**

Project Estimate Approach	The project estimate is based on projected costs for software licensing fees, implementation services (i.e., external labor), and costs to train staff.

Project No: **70028025** **Enterprise Investment Optimization**

Customer Benefit	Customers will benefit from increased transparency, objectivity, and efficiency in the investment decision-making process.

Project No: 70028025 Enterprise Investment Optimization

Primary Value Driver	Reliability & Resiliency
Compliance	A data-driven approach to investment planning strengthens compliance with industry regulations and best practices.
Customer Delivery	
Energy Transition	

Project No: **70028025** **Enterprise Investment Optimization**

General Services	
Reliability & Resiliency	By optimizing investments in critical infrastructure, these modules will enhance the overall reliability and resiliency of the system.
Safety & Security	
Technology Advancements	The advanced data integration, modeling, and visualization capabilities of the Copperleaf platform will enable the utility to leverage a comprehensive, data-driven approach to critical infrastructure investment decisions.

Project No: 70028025 Enterprise Investment Optimization

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	3,818,315	(2,200,000)	-	-	-	-	-	1,618,315
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	66,075	-	-	-	-	-	-	66,075
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	10,955	-	-	-	-	-	-	10,955
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	191,045	(114,400)	-	-	-	-	-	76,645
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(4,086,390)	2,338,896	-	-	-	-	-	(1,747,494)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	24,496	-	-	-	-	-	24,496

Project No: **70028025** **Enterprise Investment Optimization**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	1,618,315	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	66,075	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	10,955	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	76,645	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,747,494)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	24,496	-	-	-	-	-	-

Project No: **70028025** **Enterprise Investment Optimization**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	1,618,315
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	66,075
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	10,955
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	76,645
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,747,494)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	24,496

Project No: 70028025 Enterprise Investment Optimization

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	1,618,315	-	-	-	1,618,315	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	66,075	-	-	-	66,075	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	10,955	-	-	-	10,955	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	76,645	-	-	-	76,645	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,747,494)	-	-	-	(1,747,494)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	24,496	-	-	-	24,496	-	-	-

Project No: **70028025** **Enterprise Investment Optimization**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	1,618,315
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	66,075
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	10,955
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	76,645
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,747,494)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	24,496

Project No: **70028224** **Documentation System Upgrades**

Company: 003 Bulk Power
Location: 700 Production Division

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2024

Estimated Completion Date 9/30/2026

Description

The project involves the acquisition of a technical documentation storage system for our electric utility, aimed at centralizing and streamlining access to critical operational documents.

Project No: **70028224** **Documentation System Upgrades**

Project Need Justification	This system is essential for enhancing operational efficiency, reducing time spent on document retrieval, and ensuring business continuity. It also aids in maintaining compliance with regulatory standards.

Project No: **70028224** **Documentation System Upgrades**

Project Alternatives

The only alternative to not implementing this system is continued reliance on disparate and potentially inefficient document storage methods, which could lead to data loss, misplacement, and non-compliance issues.

Project No: **70028224** **Documentation System Upgrades**

Project Estimate Approach	The cost estimate is based on market research, vendor quotes, and consideration of ongoing maintenance and upgrade costs.

Project No: **70028224** **Documentation System Upgrades**

Customer Benefit	Customers will benefit from improved service delivery due to enhanced operational efficiency and reliability.

Project No: 70028224 Documentation System Upgrades

Primary Value Driver	Technology Advancements
Compliance	The system will help maintain regulatory compliance by ensuring all necessary documents are readily available and properly stored.
Customer Delivery	Improved operational efficiency will enhance service delivery to customers.
Energy Transition	The system will support the energy transition by enabling efficient management of documents related to new technologies and processes.

Project No: **70028224 Documentation System Upgrades**

General Services	The system will improve the efficiency of general services by centralizing document access.
Reliability & Resiliency	Centralized document storage will improve the reliability of our operations. The system will contribute to operational resiliency by safeguarding against data loss or misplacement.
Safety & Security	Proper document management will support safety protocols and procedures., The system will enhance security by providing controlled access to sensitive documents.
Technology Advancements	The system itself is a reflection of technological advancement, bringing our document management practices in line with modern standards.

Project No: 70028224 Documentation System Upgrades

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	3,084	-	-	-	-	-	-	3,084
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	1,406,753	-	-	125,000	-	-	-	1,531,753
374: Outside Services Legal	1,033	-	-	-	-	-	-	1,033
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	43,303	-	-	247	-	-	-	43,550
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	226	-	-	-	-	-	-	226
914: Pension and Benefits	1,233	-	-	-	-	-	-	1,233
915: Injuries and Damages	409	-	-	-	-	-	-	409
921: Stores Load	4,008	-	-	-	-	-	-	4,008
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	70,261	-	-	6,500	-	-	-	76,761
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,530,310)	-	-	(131,747)	-	-	-	(1,662,057)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **70028224** **Documentation System Upgrades**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	3,084	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	1,531,753	-	-	-	-	-	-
374: Outside Services Legal	1,033	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	43,550	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	226	-	-	-	-	-	-
914: Pension and Benefits	1,233	-	-	-	-	-	-
915: Injuries and Damages	409	-	-	-	-	-	-
921: Stores Load	4,008	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	76,761	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,662,057)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **70028224** **Documentation System Upgrades**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	3,084
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	1,531,753
374: Outside Services Legal	-	-	-	1,033
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	43,550
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	226
914: Pension and Benefits	-	-	-	1,233
915: Injuries and Damages	-	-	-	409
921: Stores Load	-	-	-	4,008
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	76,761
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,662,057)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 70028224 Documentation System Upgrades

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	3,084	-	-	-	3,084	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	1,531,753	-	-	-	1,531,753	-	-	-
374: Outside Services Legal	1,033	-	-	-	1,033	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	43,550	-	-	-	43,550	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	226	-	-	-	226	-	-	-
914: Pension and Benefits	1,233	-	-	-	1,233	-	-	-
915: Injuries and Damages	409	-	-	-	409	-	-	-
921: Stores Load	4,008	-	-	-	4,008	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	76,761	-	-	-	76,761	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,662,057)	-	-	-	(1,662,057)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **70028224** **Documentation System Upgrades**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	3,084
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	1,531,753
374: Outside Services Legal	-	-	-	-	-	-	1,033
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	43,550
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	226
914: Pension and Benefits	-	-	-	-	-	-	1,233
915: Injuries and Damages	-	-	-	-	-	-	409
921: Stores Load	-	-	-	-	-	-	4,008
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	76,761
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,662,057)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 70028227 Data Historian SoftwareLicense 2027

Company: 003 Bulk Power
Location: 700 Production Division

Project Information County % Total System 100%

Estimated Start Date 1/1/2027

Estimated Completion Date 12/31/2027

Description

This project provides funding for a three-year license for Aveva PI Data Infrastructure (PI), which serves as PNM's enterprise data historian system. PI is primarily used to store time-series data from generating facilities, Power Operations Supervisory Control and Data Acquisition (SCADA) system, Distribution Operations Center SCADA, and transmission and distribution devices and systems. PNM requires a robust data historian capable of capturing and storing large volumes of data from these diverse sources. The amount of data that will flow into PI is expected to grow significantly with upcoming grid modernization initiatives and the continued expansion of distributed energy resources (DER) and battery energy storage systems.

The licensing includes PI Data Archive as the core historian, along with PI Asset Framework, PI Event Frames, PI Analytics, PI Notifications, PI Vision, and PI DataLink. PI Asset Framework, Event Frames, Analytics, and Notifications are used to perform calculations and analytics on the data, identify events, and send automated notifications when conditions fall outside of expected ranges. PI Vision provides user-friendly visualization tools and displays of key resources and assets for operators, engineers, and management, and PI DataLink enables users to pull data directly into Excel for further analysis. Together, these tools form the foundation of PNM's data and visualization platform supporting system operations, planning, and analysis.

Project No: 70028227 Data Historian SoftwareLicense 2027

Project Need Justification

This project is needed to maintain uninterrupted access to the time-series operational data that underpins PNM's decision-making, planning, troubleshooting, predictive maintenance, and compliance activities. The PI historian infrastructure collects and stores data from many devices and systems, providing a comprehensive view of system conditions and asset performance. Historical data from PI is used for event analysis and root-cause investigations, long-term reliability studies, operational planning, and internal and regulatory reporting.

As PNM implements grid modernization projects and increases its reliance on DERs and battery energy storage systems, the volume and complexity of data will grow substantially. Maintaining appropriate licensing for the Aveva PI Data Infrastructure ensures that these additional data points, analytics, and notifications can be supported without interruption. Without this project, PNM would risk losing access to critical operational information and tools, impairing its ability to monitor system conditions, support reliability and resiliency, and meet expectations associated with applicable reliability and operational standards.

Project No: **70028227 Data Historian SoftwareLicense 2027**

Project Alternatives

The primary alternative to this project would be to replace PNM's entire data historian with another vendor's historian solution. This option was rejected because it would be a large undertaking and disruptive to current operations. A migration to a different platform would require re-creating thousands of data points, asset models, analytics, notifications, and operational displays, as well as re-building integrations with SCADA and other corporate systems. This would significantly increase complexity, project cost, and operational risk, and would divert staff time from core operational responsibilities. Other available historian solutions also lack much of the functionality that PNM currently uses with the Aveva PI platform, including the integrated asset framework, event detection, analytics, notifications, visualization tools, and Excel integration.

Not renewing the existing licenses was also considered and rejected because it would result in loss of access to critical operational data and tools used by PNM's operations and engineering personnel. Continuing with the current Aveva PI Data Infrastructure leverages the system already in place, involves no additional complexity to continue using the solution, and is the lowest-risk and most cost-effective option for PNM.

Project No: **70028227** **Data Historian SoftwareLicense 2027**

Project Estimate Approach

The project estimate was developed based on existing Aveva PI Data Infrastructure licensing and support costs and the expected requirements for the three-year term, along with continuous 3% per year increases applied over existing costs to forecast license and maintenance expenditures for the future periods. The estimate covers license fees for PI Data Archive and associated modules, including PI Asset Framework, Event Frames, Analytics, Notifications, Vision, and DataLink, along with ongoing maintenance and support services.

Project No: **70028227** **Data Historian SoftwareLicense 2027**

Customer Benefit

Customers benefit from this project through PNM's improved visibility into system conditions, faster problem identification, and more efficient operation of the electric system. The PI historian infrastructure provides operators and engineers with continuous access to clear, actionable information from generating facilities, SCADA systems, and other assets. Advanced analytics and notification tools enable staff to detect abnormal equipment performance and emerging issues early, supporting predictive maintenance and timely corrective action.

When events occur, detailed historical data from PI supports root-cause analysis and corrective measures, which can reduce the duration and frequency of service interruptions. By enabling better monitoring and analysis of renewable resources, Distributed Energy Resources, and battery energy storage systems, the project also helps PNM operate these assets more efficiently and manage overall system costs. These capabilities support a more reliable and resilient electric service and contribute to controlling customer bills.

Project No: 70028227 Data Historian SoftwareLicense 2027

Primary Value Driver	Technology Advancements
Compliance	The PI historian infrastructure supports compliance activities by providing accurate, time-stamped data and historical records needed for event analysis, disturbance reporting, and other reliability and operational reviews. Access to consistent data from generating facilities, SCADA systems, and transmission and distribution assets helps PNM document system performance, evaluate incidents, and demonstrate adherence to applicable reliability and operational standards.
Customer Delivery	
Energy Transition	The PI historian platform supports PNM's energy transition by enabling detailed monitoring and analysis of renewable resources, DERs, and battery energy storage systems. By capturing and analyzing time-series data from these assets, the system helps PNM integrate them into grid operations, evaluate their performance, and optimize their use, which supports the transition away from traditional large generating units toward cleaner energy resources.

Project No: **70028227** **Data Historian SoftwareLicense 2027**

General Services

Reliability & Resiliency

The project enhances reliability and resiliency by providing continuous visibility into system conditions and asset performance. Operators and engineers use PI data, analytics, and notifications to detect abnormal equipment behavior and emerging issues before they result in outages. Historical data supports root-cause analysis and targeted corrective actions, which can reduce the duration and frequency of service interruptions and improve overall system performance.

Safety & Security

Technology Advancements

The project supports technology advancements by maintaining and enhancing PNM's enterprise data historian and analytics infrastructure that underpins corporate systems and utility grid operations. The Aveva PI platform connects field assets and control systems, collects and stores time-series data from generating facilities, SCADA systems, and Transmission and Distribution devices, and provides analytics, notifications, and visualization tools that improve visibility into system performance and asset health. These capabilities enable PNM staff to monitor conditions, identify issues early, and support decisions that improve reliability, resiliency, and operational efficiency across the electric system.

Project No: 70028227 Data Historian SoftwareLicense 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **70028227** **Data Historian SoftwareLicense 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	155,574	155,574	155,574	155,574	155,574	155,574
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	308	902	1,572	2,197	2,924	3,567
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	5,834	5,834	5,834	5,834	5,834	5,834
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	161,716	162,310	162,980	163,605	164,332	164,975

Project No: **70028227** **Data Historian SoftwareLicense 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	155,574	155,574	155,574	1,400,166
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	4,240	4,930	5,576	26,216
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	5,834	5,834	5,834	52,506
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	165,648	166,338	166,984	1,478,888

Project No: 70028227 Data Historian SoftwareLicense 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	1,400,166	155,574	155,574	155,574	1,866,888	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	26,216	6,209	6,993	7,678	47,095	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	52,506	5,834	5,834	5,834	70,008	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,983,991)	(1,983,991)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,478,888	167,617	168,401	(1,814,906)	-	-	-	-

Project No: 70028227 Data Historian SoftwareLicense 2027

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	1,866,888
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	47,095
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	70,008
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,983,991)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 70028327 Adv Analytics Process Mgmt SEEQ 27

Company: 003 Bulk Power
Location: 700 Production Division

Project Information County % Total System 100%

Estimated Start Date 1/1/2027

Estimated Completion Date 12/31/2027

Description

This project provides funding for advanced analytics and process management software licenses and support for SEEQ, an advanced analytics and AI platform that is already integrated into PNM's PI historian. PNM manages a large volume of time-series data from various systems and equipment, including the enterprise PI historian and other data sources, and SEEQ is used to rapidly analyze this data and uncover insights. SEEQ connects to PI historical data and can ingest additional real-time and file-based data (such as CSV uploads), enabling subject matter experts to perform detailed analyses across multiple data sets.

SEEQ provides real-time monitoring, advanced analytics, visualization tools, and collaborative workspaces that help engineers and operators identify trends, correlations, and anomalies that are not easily visible in basic reports. The software is used to assist in root-cause analysis and troubleshooting, generate automated reports that compare site performance to contractual guarantees, and support evaluation of control strategies and process improvements. These capabilities help PNM's process control engineers and other staff maintain efficient and reliable operations across generating facilities and other assets.

Project No: 70028327 Adv Analytics Process Mgmt SEEQ 27

Project Need Justification

This project is needed to enable PNM's subject matter experts to efficiently extract actionable insights from large volumes of time-series data and support improved operational decision-making. Manually analyzing data from the PI historian and other systems is time-consuming and inefficient, and can hinder PNM's ability to timely identify opportunities for process improvements, equipment optimization, and enhanced sustainability. SEEQ provides advanced analytics and visualization tools that quickly access, cleanse, and analyze time-series data, allowing engineers and operators to more rapidly identify patterns, trends, and deviations.

PNM requires real-time monitoring and analysis capabilities to proactively detect issues, monitor key performance indicators, and make informed decisions to maintain efficient and reliable operations. SEEQ's real-time insights help process control engineers evaluate control strategies, implement advanced process controls where appropriate, and optimize equipment performance. By using SEEQ to support root-cause analysis, troubleshooting, and performance evaluation against contractual guarantees, PNM can make better operational decisions, reduce downtime, and support productivity and cost control objectives.

Project No: **70028327 Adv Analytics Process Mgmt SEEQ 27**

Project Alternatives

Alternatives considered included continuing to rely on manual data analysis using basic PI tools, spreadsheets, and generic business intelligence software, and evaluating other advanced analytics platforms. Relying solely on manual methods and general-purpose tools was rejected because these approaches are not well suited for the detailed time-series analysis needed for process optimization and equipment performance evaluation. They require significant staff time to extract, cleanse, and analyze data and make it more difficult to identify complex relationships and trends.

Other specialized analytics platforms were considered but were not pursued for this period because SEEQ is already integrated with PNM's PI historian and other data sources and provides collaborative features and workflows tailored to process monitoring and optimization. Adopting a different platform would require additional effort to test, purchase, and integrate new software and re-create analyses and reports that are already established in SEEQ. Continuing the SEEQ license is the most efficient and cost-effective way to provide the advanced analytics capabilities needed for process improvements and equipment optimization.

Project No: **70028327** **Adv Analytics Process Mgmt SEEQ 27**

Project Estimate Approach	The project estimate was developed by applying a 3% annual increase to existing SEEQ licensing and support costs. The current annual cost for SEEQ licenses and maintenance was used as the baseline, and a 3% per year escalation was applied to approximate future costs over the project period.

Project No: **70028327 Adv Analytics Process Mgmt SEEQ 27**

Customer Benefit

Customers benefit from this project through improved efficiency, reliability, and cost control associated with PNM's operations. SEEQ's advanced data analysis and visualization tools allow engineers and operators to more quickly identify opportunities for process improvements and equipment optimization, which can reduce fuel usage, improve unit performance, and decrease the likelihood and impact of equipment-related issues. Real-time monitoring and analytics help staff detect emerging problems early and take corrective action before they result in outages or extended downtime.

SEEQ also supports customer benefits by helping PNM hold facility developers and service providers accountable to contractual performance requirements. Automated analyses and reports generated in SEEQ compare site performance against contractual guarantees on a regular basis, allowing PNM to identify deviations, engage with developers to address under-performance, and ensure that contracted resources are delivering expected value. By driving productivity gains, reducing operating costs, and enforcing contractual performance through data-driven reviews, SEEQ helps PNM manage overall system costs and maintain reliable service for customers.

Project No: **70028327 Adv Analytics Process Mgmt SEEQ 27**

Primary Value Driver	Technology Advancements
Compliance	
Customer Delivery	
Energy Transition	SEEQ supports PNM's energy transition and sustainability initiatives by enabling detailed analysis of performance data from generating facilities, distributed energy resources, and other assets. This helps PNM identify opportunities to improve efficiency, reduce emissions and waste, and optimize the use of cleaner resources.

Project No: **70028327 Adv Analytics Process Mgmt SEEQ 27**

General Services

Reliability & Resiliency

SEEQ contributes to reliability and resiliency by helping engineers and operators detect emerging issues in equipment and processes, perform root-cause analysis of events, and evaluate the effectiveness of corrective actions. By improving the speed and quality of analysis, the software supports decisions that reduce the likelihood and impact of operational problems and outages.

Safety & Security

Technology Advancements

The project advances PNM's technology capabilities by providing SEEQ, an advanced analytics and visualization platform that enhances the way PNM uses time-series data from the PI historian and other systems. SEEQ enables staff to quickly access, cleanse, and analyze operational data, identify trends and anomalies, and collaborate on complex analyses. These capabilities support improved process control, equipment optimization, and performance monitoring.

Project No: 70028327 Adv Analytics Process Mgmt SEEQ 27

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **70028327** **Adv Analytics Process Mgmt SEEQ 27**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	68,636	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	750,416	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	1,704	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	4,791	-	-
914: Pension and Benefits	-	-	-	-	20,680	-	-
915: Injuries and Damages	-	-	-	-	5,553	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	30,714	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	(882,494)	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	0	-	-

Project No: **70028327** **Adv Analytics Process Mgmt SEEQ 27**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	68,636
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	750,416
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	1,704
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	4,791
914: Pension and Benefits	-	-	-	20,680
915: Injuries and Damages	-	-	-	5,553
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	30,714
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(882,494)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	0

Project No: 70028327 Adv Analytics Process Mgmt SEEQ 27

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	68,636	-	-	-	68,636	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	750,416	-	-	-	750,416	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,704	-	-	-	1,704	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,791	-	-	-	4,791	-	-	-
914: Pension and Benefits	20,680	-	-	-	20,680	-	-	-
915: Injuries and Damages	5,553	-	-	-	5,553	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	30,714	-	-	-	30,714	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(882,494)	-	-	-	(882,494)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	0	-	-	-	0	-	-	-

Project No: **70028327** **Adv Analytics Process Mgmt SEEQ 27**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	68,636
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	750,416
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	1,704
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,791
914: Pension and Benefits	-	-	-	-	-	-	20,680
915: Injuries and Damages	-	-	-	-	-	-	5,553
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	30,714
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(882,494)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: **73128224** **Extended Day Ahead Market-EDAM 2025**

Company: 003 Bulk Power
Location: 731 PNM Marketing

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2026

Estimated Completion Date 11/30/2027

Description

This project implements a system that will enable PNM to participate in emerging markets such as California Independent System Operator's (CAISO) Extended Day-Ahead Market (EDAM). A Generation Optimization tool will be needed to manage bids, settlements, etc. for each new market. The project will meet the following objectives via software and related implementation and integration services:

- Interface with other applications to create unit commitment, manage fuel needs, process settlement data, etc.
- Dispatch resources in a timely-manner to optimize generation and minimize costs

Project No: **73128224** **Extended Day Ahead Market-EDAM 2025**

Project Need Justification

The Generation Optimization tool will enable Wholesale Power Marketing (WPM) traders to dispatch the PNM generation fleet more efficiently and likely at a lower cost. It will take into account public outage information, weather data, unit characteristics, and more and will develop an optimum unit dispatch plan.

Project No: **73128224** **Extended Day Ahead Market-EDAM 2025**

Project Alternatives

The only alternative is to do nothing. The do nothing alternative presents the risk of missing the benefits of market participation. It will be more difficult to manage bids and settlements for each market. Additionally, developing a dispatch plan will be more difficult and time consuming without the Generation Optimization tool.

Project No: **73128224** **Extended Day Ahead Market-EDAM 2025**

Project Estimate Approach	Project direct costs are estimated from vendor/contractor estimates as well as historical actuals from similar projects. PNM indirect costs (project controls, contingency, AFUDC [allowances for funds used during construction], etc.) are estimated and added to the direct costs.

Project No: **73128224** **Extended Day Ahead Market-EDAM 2025**

Customer Benefit	Customer will benefit from the safe, reliable, environmentally compliant and cost-effective management of PNM's power generation assets.

Project No: **73128224** **Extended Day Ahead Market-EDAM 2025**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **73128224** **Extended Day Ahead Market-EDAM 2025**

General Services

Reliability & Resiliency

This project gives PNM the ability to improve unit dispatch, resulting in more timely and reliable operations.

Safety & Security

Technology Advancements

Project No: 73128224 Extended Day Ahead Market-EDAM 2025

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	158,819	82,524	82,524	82,524	82,524	83,495	86,408	658,819
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	23,107	23,107
370: Outside Services	628,481	388,350	388,350	388,350	970,874	388,350	388,350	3,541,103
374: Outside Services Legal	-	-	-	-	172,816	-	-	172,816
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	9,407	18,555	20,769	22,838	27,061	30,749	33,130	162,509
610: Expenses - General	3,535,857	19,417	19,417	19,417	19,417	19,417	19,417	3,652,362
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	11,387	5,917	5,917	5,917	5,917	5,987	6,195	47,237
914: Pension and Benefits	55,491	28,834	28,834	28,834	28,834	29,173	30,191	230,191
915: Injuries and Damages	15,930	8,277	8,277	8,277	8,277	8,375	8,667	66,080
921: Stores Load	11,645	-	-	-	-	-	67	11,712
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	216,158	25,495	25,495	25,495	64,773	25,546	26,899	409,860
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	4,643,175	577,370	579,584	581,653	1,380,493	591,091	622,429	8,975,795

Project No: **73128224** **Extended Day Ahead Market-EDAM 2025**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	658,819	84,834	83,420	83,420	93,883	93,529	87,167
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	23,107	-	-	-	-	-	-
370: Outside Services	3,541,103	282,779	280,044	585,093	280,046	280,047	585,096
374: Outside Services Legal	172,816	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	162,509	35,042	35,873	39,842	42,122	45,436	47,801
610: Expenses - General	3,652,362	7,118	8,897	7,118	7,118	7,118	7,118
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	47,237	5,921	5,823	5,823	6,553	6,528	6,084
914: Pension and Benefits	230,191	25,560	25,134	25,134	28,287	28,180	26,263
915: Injuries and Damages	66,080	6,863	6,749	6,749	7,595	7,567	7,052
921: Stores Load	11,712	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	409,860	14,052	13,964	25,336	14,289	14,276	25,477
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	8,975,795	462,170	459,903	778,515	479,893	482,681	792,059

Project No: **73128224** **Extended Day Ahead Market-EDAM 2025**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	94,589	94,589	94,589	1,468,839
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	23,107
370: Outside Services	280,049	280,050	280,051	6,674,358
374: Outside Services Legal	-	-	-	172,816
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	50,542	52,799	54,550	566,514
610: Expenses - General	8,897	7,118	8,897	3,721,761
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	6,602	6,602	6,602	103,777
914: Pension and Benefits	28,500	28,500	28,500	474,250
915: Injuries and Damages	7,652	7,652	7,652	131,610
921: Stores Load	-	-	-	11,712
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	14,383	14,316	14,383	560,336
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	491,214	491,626	495,224	13,909,079

Project No: 73128224 Extended Day Ahead Market-EDAM 2025

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	1,468,839	234,358	16,402	-	1,719,599	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	23,107	-	-	-	23,107	-	-	-
370: Outside Services	6,674,358	783,377	-	-	7,457,735	-	-	-
374: Outside Services Legal	172,816	15,252	-	-	188,068	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	566,514	57,708	61,383	-	685,605	-	-	-
610: Expenses - General	3,721,761	13,880	-	-	3,735,641	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	103,777	16,358	1,145	-	121,280	-	-	-
914: Pension and Benefits	474,250	70,612	4,942	-	549,804	-	-	-
915: Injuries and Damages	131,610	18,960	1,327	-	151,897	-	-	-
921: Stores Load	11,712	-	-	-	11,712	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	560,336	39,258	615	-	600,208	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	(15,235,249)	-	(15,235,249)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	13,909,079	1,249,762	(15,149,435)	-	9,407	-	-	-

Project No: **73128224** **Extended Day Ahead Market-EDAM 2025**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	1,719,599
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	23,107
370: Outside Services	-	-	-	-	-	-	7,457,735
374: Outside Services Legal	-	-	-	-	-	-	188,068
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	685,605
610: Expenses - General	-	-	-	-	-	-	3,735,641
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	121,280
914: Pension and Benefits	-	-	-	-	-	-	549,804
915: Injuries and Damages	-	-	-	-	-	-	151,897
921: Stores Load	-	-	-	-	-	-	11,712
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	600,208
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(15,235,249)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	9,407

Project No: 91128325 Treasury Management System

Company: 007 PNMR Services Company
Location: 911 Corp Alloc Financial Systems

Project Information

County % Bernalillo 100%

Estimated Start Date 12/11/2025

Estimated Completion Date 12/31/2026

Description

The Treasury Management System project seeks to identify, acquire, and implement a suitable state-of-the-art cash management system to help ensure only the necessary monies to meet current needs are on-hand instead of invested elsewhere. Like all large, capital intensive operations, TXNM requires significant outlays of cash to pay for expensive equipment and third-party expertise to run and help ensure its ability to deliver electric power is not compromised. Payment for that equipment and services must be anticipated and sufficient cash acquired in a way that meets vendor expectations and contractual obligations without compromising TXNM's ability to manage cash cost-effectively. This is the function of TXNM's Treasury department. With increasing sophistication of cash management protocols and expectations, TXNM finds that its historical use of spreadsheets and output from many other disparate systems is no longer cost-effective or error-free enough to meet company needs. Accordingly, the Treasury Management System project seeks to identify, acquire, and implement a suitable state-of-the-art cash management system to help ensure only the necessary monies to meet current needs are on-hand instead of invested elsewhere.

Project No: **91128325** **Treasury Management System**

Project Need Justification

TXNM's Treasury department requires more sophisticated tools to reduce borrowing costs and help ensure sufficient cash is available at any given moment than can be provided by historical spreadsheet accounting. The department is minimally staffed to help reduce overall costs and has found that it no longer has the capability to manually forecast cash flows as required in today's modern, fast-paced and efficient business environment.

Project No: **91128325** **Treasury Management System**

Project Alternatives

Alternative 1) Continue using the current spreadsheet-based processes and multiple disconnected data sources to manage cash forecasting, liquidity planning, investment tracking, and treasury activities. While this approach avoids near-term implementation costs, it increases operational risk, requires significant manual effort, and increases the potential for errors, inconsistent reporting, and delayed decision-making. As cash management activities become more complex, reliance on manual processes becomes less efficient and more difficult to support.

Alternative 2) Develop a custom treasury management solution using internal resources. Although technically feasible, this option would require substantial development, testing, integration, and ongoing maintenance efforts. A custom-built solution would also require dedicated support resources and may not provide the same functionality, vendor support, security controls, and industry best practices available through commercial treasury management platforms.

Project No: **91128325** **Treasury Management System**

Project Estimate Approach	Project estimates have been derived from vendor proposals combined with IT department experience implementing similar financial management systems.

Project No: **91128325** **Treasury Management System**

Customer Benefit	A modern treasury management system is extremely helpful in reducing borrowing cost and helping ensure local vendors are paid in a timely way, benefitting both customers via lower bills and local economies that provide goods and services used by TXNM.

Project No: **91128325** **Treasury Management System**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 91128325 Treasury Management System

General Services

The Treasury Management System project is a key investment in modernization of tools required by TXNM to help ensure it manages and invests its financial resources in the most expedient, safe, and efficient manner possible. It reduces time required by a minimally staffed department to forecast needs and reduces costly errors increasingly associated with today's fast-paced, expensive, and error-intolerant business environment.

Reliability & Resiliency

Safety & Security

Technology Advancements

Project No: 91128325 Treasury Management System

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	25,072	12,000	9,200	1,000	500	-	-	47,772
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	37,290	28,000	18,000	13,257	35,000	35,000	-	166,548
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	8,966	1,954	2,128	2,248	2,378	2,541	2,844	23,060
610: Expenses - General	298,356	-	-	-	-	-	78,000	376,356
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,006	960	736	80	40	-	-	3,822
914: Pension and Benefits	5,473	2,620	2,008	218	109	-	-	10,429
915: Injuries and Damages	499	239	183	20	10	-	-	951
921: Stores Load	966	-	-	-	-	-	-	966
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(620,935)	(620,935)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	378,628	45,773	32,256	16,823	38,037	37,541	(540,091)	8,966

Project No: **91128325** **Treasury Management System**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	47,772	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	166,548	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	23,060	-	-	-	-	-	-
610: Expenses - General	376,356	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	3,822	-	-	-	-	-	-
914: Pension and Benefits	10,429	-	-	-	-	-	-
915: Injuries and Damages	951	-	-	-	-	-	-
921: Stores Load	966	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(620,935)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	8,966	-	-	-	-	-	-

Project No: **91128325** **Treasury Management System**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	47,772
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	166,548
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	23,060
610: Expenses - General	-	-	-	376,356
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	3,822
914: Pension and Benefits	-	-	-	10,429
915: Injuries and Damages	-	-	-	951
921: Stores Load	-	-	-	966
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(620,935)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	8,966

Project No: 91128325 Treasury Management System

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	47,772	-	-	-	47,772	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	166,548	-	-	-	166,548	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	23,060	-	-	-	23,060	-	-	-
610: Expenses - General	376,356	-	-	-	376,356	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	3,822	-	-	-	3,822	-	-	-
914: Pension and Benefits	10,429	-	-	-	10,429	-	-	-
915: Injuries and Damages	951	-	-	-	951	-	-	-
921: Stores Load	966	-	-	-	966	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(620,935)	-	-	-	(620,935)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	8,966	-	-	-	8,966	-	-	-

Project No: **91128325** **Treasury Management System**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	47,772
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	166,548
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	23,060
610: Expenses - General	-	-	-	-	-	-	376,356
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	3,822
914: Pension and Benefits	-	-	-	-	-	-	10,429
915: Injuries and Damages	-	-	-	-	-	-	951
921: Stores Load	-	-	-	-	-	-	966
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(620,935)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	8,966

Project No: 94128026 NERC CIP Program-2026

Company: 007 PNMR Services Company
Location: 941 Corp Alloc-Gen PNMR Utility

Project Information

County %		
	Bernalillo	80%
	Counties < 1%	20%

Estimated Start Date 2/1/2026

Estimated Completion Date 12/31/2026

Description

The North American Electric Reliability Corporation Critical Infrastructure Protection (NERC CIP) Program 2026 provides funding for smaller technology and cybersecurity initiatives necessary to maintain compliance with NERC CIP reliability standards and address compliance gaps, audit findings, regulatory changes, or emerging cybersecurity requirements. The program serves as a funding mechanism for projects that may be identified through internal assessments, external audits, compliance reviews, or evolving regulatory obligations. Examples of projects previously funded under this program include the Fortress vendor risk management platform, Tripwire security monitoring enhancements, and other technology solutions designed to support cybersecurity controls, compliance monitoring, evidence collection, and audit readiness. Because 2026 is a NERC CIP audit year, the program provides flexibility to implement system enhancements, acquire new compliance capabilities, or augment existing technologies as required to address audit observations and maintain compliance with applicable reliability standards.

Project No: 94128026 NERC CIP Program-2026

Project Need Justification

PNMR is required to conform to a rigid set of standards that are frequently updated to protect the nation's electric grid and supply. PNMR audits itself regularly with periodic external reviews to ensure it is in compliance. When standards or specific circumstances change that threaten PNMR's ability to comply with NERC CIP requirements, PNMR uses this program to make improvements that meet capital expenditure criteria.

Project No: **94128026** **NERC CIP Program-2026**

Project Alternatives

Alternative 1) Do nothing and address compliance findings, audit observations, or regulatory requirements using existing systems and manual processes. This approach could increase administrative burden, delay remediation efforts, and increase the risk of non-compliance with NERC CIP standards. Failure to address compliance deficiencies in a timely manner could expose the company to regulatory risk, audit findings, and potential financial penalties.

Alternative 2) Fund each NERC CIP compliance project as a standalone initiative after audit findings or compliance needs are identified. While feasible, this approach may delay remediation activities, require additional approval cycles, and reduce the organization's ability to respond quickly to regulatory requirements or audit observations.

Project No: 94128026 NERC CIP Program-2026

Project Estimate Approach	Project estimates are developed using vendor proposals, budgetary quotations, and pricing information obtained for the specific technologies or services required to address identified NERC CIP compliance needs. Cost assumptions are supplemented by historical information from prior compliance-related cybersecurity, monitoring, governance, and regulatory technology implementations completed by PNM. Estimates also incorporate anticipated internal labor, project management, implementation activities, and allowable administrative overhead necessary to evaluate, deploy, and support solutions implemented under the NERC CIP Program. As individual compliance projects are identified, estimates are refined based on the scope, complexity, and regulatory requirements associated with the proposed solution.

Project No: **94128026** **NERC CIP Program-2026**

Customer Benefit

Customers benefit from investments that help maintain the reliability, security, and resiliency of the electric systems that support power delivery operations. Projects funded through the NERC CIP Program strengthen cybersecurity controls, improve compliance monitoring capabilities, enhance audit readiness, and support the protection of critical cyber assets used in utility operations. During the 2026 audit cycle, program funding may be used to address identified compliance gaps, enhance security monitoring capabilities, improve evidence collection processes, or implement new controls required by evolving reliability standards. These improvements help reduce the risk of cybersecurity incidents, regulatory compliance failures, and operational disruptions that could negatively impact electric service reliability for customers.

Project No: 94128026 NERC CIP Program-2026

Primary Value Driver	Compliance
Compliance	PNMR will use this program to make improvements that allow it to continue to comply with NERC CIP standards and requirements.
Customer Delivery	
Energy Transition	

Project No: **94128026** **NERC CIP Program-2026**

General Services

Reliability & Resiliency

Projects implemented under the NERC CIP Program primarily focus on mitigating risks associated with gaps in monitoring and security of critical transmission systems.

Safety & Security

Technology Advancements

Project No: 94128026 NERC CIP Program-2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	4,545	4,545
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	4,545	4,545
370: Outside Services	-	-	-	-	9,091	9,091	2,000	20,182
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	2,727	2,727	2,727	2,727	2,727	2,727	16,364
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	7	20	34	70	127	196	453
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	364	364
914: Pension and Benefits	-	-	-	-	-	-	992	992
915: Injuries and Damages	-	-	-	-	-	-	90	90
921: Stores Load	-	-	-	-	-	-	195	195
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(47,731)	(47,731)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	2,734	2,748	2,761	11,888	11,945	(32,076)	(0)

Project No: **94128026** **NERC CIP Program-2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	4,545	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	4,545	-	-	-	-	-	-
370: Outside Services	20,182	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	16,364	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	453	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	364	-	-	-	-	-	-
914: Pension and Benefits	992	-	-	-	-	-	-
915: Injuries and Damages	90	-	-	-	-	-	-
921: Stores Load	195	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(47,731)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	(0)	-	-	-	-	-	-

Project No: **94128026** **NERC CIP Program-2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	4,545
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	4,545
370: Outside Services	-	-	-	20,182
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	16,364
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	453
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	364
914: Pension and Benefits	-	-	-	992
915: Injuries and Damages	-	-	-	90
921: Stores Load	-	-	-	195
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(47,731)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	(0)

Project No: 94128026 NERC CIP Program-2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	4,545	-	-	-	4,545	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	4,545	-	-	-	4,545	-	-	-
370: Outside Services	20,182	-	-	-	20,182	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	16,364	-	-	-	16,364	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	453	-	-	-	453	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	364	-	-	-	364	-	-	-
914: Pension and Benefits	992	-	-	-	992	-	-	-
915: Injuries and Damages	90	-	-	-	90	-	-	-
921: Stores Load	195	-	-	-	195	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(47,731)	-	-	-	(47,731)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	(0)	-	-	-	(0)	-	-	-

Project No: **94128026** **NERC CIP Program-2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	4,545
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	4,545
370: Outside Services	-	-	-	-	-	-	20,182
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	16,364
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	453
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	364
914: Pension and Benefits	-	-	-	-	-	-	992
915: Injuries and Damages	-	-	-	-	-	-	90
921: Stores Load	-	-	-	-	-	-	195
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(47,731)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 94128120 ArcFM Upgrade to Utility Network

Company: 007 PNMR Services Company
Location: 941 Corp Alloc-Gen PNMR Utility

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2020

Estimated Completion Date 9/30/2026

Description

The ArcFM Utility Network Upgrade is a multi-year effort to completely revamp PNM's geospatial systems. At the heart of the required upgrade is a new geospatial model developed by the world's leading mapping engineering vendor, Environmental Systems Research Institute (ESRI). ESRI's base software is the underlying mapping platform or geometric network for Schneider Electric's ArcFM Designer software and the Transmission Asset Management Information System (TAMIS) for transmission data. ESRI has made fundamental changes to how PNMR's distribution and transmission facility data are modeled, forcing changes to the ArcFM Designer software, interfaces and the management of compatible units (equipment represented on maps), changes to the delivery method for some database editing to Service-Oriented Architecture (SOA) Web Services, as well as archiving current ArcFM Designer customizations. Depending on future use, upgrades to the ESRI Software Development Kits (SDK) could impact custom code PNMR has developed for mobile inspections which may also be in scope for this project.

Project No: 94128120 ArcFM Upgrade to Utility Network

Project Need Justification

ArcFM Utility Network is the new foundation developed by ESRI on which all PNMR's (and most other utilities) mapping systems depend. Upgrade of PNMR's mapping systems to the new ArcFM Utility Network paradigm is required to ensure these critical systems remain usable and accurate as well as being capable of leveraging new mapping and data management technologies.

Project No: **94128120** **ArcFM Upgrade to Utility Network**

Project Alternatives	The only alternative is to do nothing. The ArcFM Utility Network project is required to complete by 2025 to enable PNMR to continue use of foundational ESRI technologies. Current mapping systems in use at PNMR that use older technologies will no longer work or be supported by mapping systems vendors. Because virtually all modern mapping systems are built on ESRI standards and systems, there are no other current viable alternatives.

Project No: **94128120** **ArcFM Upgrade to Utility Network**

Project Estimate Approach	PNMR derived its estimate for this project based on bids from vendors, including qualified third-party contractors as well as historical information about internal labor and administrative costs experienced in similar past efforts.

Project No: **94128120** **ArcFM Upgrade to Utility Network**

Customer Benefit	The ArcFM system is at the core of PNMR knowing exactly where all its equipment is located and interconnected, which enables the company to not only respond quickly to customer trouble calls but also understand and proactively correct bottlenecks and weak areas in our service network, as well as plan for future growth.

Project No: **94128120** **ArcFM Upgrade to Utility Network**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: 94128120 ArcFM Upgrade to Utility Network

General Services

Reliability & Resiliency

PNMR's ability to respond to issues that arise in the field, plan for the future, and communicate effectively with other entities on the electric grid is dependent on effective, useful, and accurate mapping systems. PNMR's long-time geometric mapping tool, ArcFM, must be upgraded to conform with modern geospatial information systems standards to ensure PNM can meet expectations.

Safety & Security

Technology Advancements

PNMR's ability to provide power and services reliably and safely is extremely dependent on its ability to manage technology efficiently and cost-effectively. PNMR is vigilant about ensuring its technology operations run at the highest possible level by continually working with peers and vendors to identify and, where appropriate, implement the latest, most effective tools.

Project No: 94128120 ArcFM Upgrade to Utility Network

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	721,940	-	-	-	-	-	-	721,940
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	7,990	-	-	-	-	-	-	7,990
370: Outside Services	8,563,910	740,000	-	-	-	-	-	9,303,910
374: Outside Services Legal	8,269	-	-	-	-	-	-	8,269
377: Outside Svcs-Temp Labor	7,422	-	-	-	-	-	-	7,422
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	263,487	10,905	12,685	13,109	-	-	-	300,186
610: Expenses - General	1,600,336	-	-	150,000	-	-	-	1,750,336
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	56,679	-	-	-	-	-	-	56,679
914: Pension and Benefits	162,336	-	-	-	-	-	-	162,336
915: Injuries and Damages	15,658	-	-	-	-	-	-	15,658
921: Stores Load	26,116	-	-	-	-	-	-	26,116
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(9,602,663)	-	-	(2,741,528)	-	-	-	(12,344,191)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,831,480	750,905	12,685	(2,578,419)	-	-	-	16,651

Project No: **94128120** **ArcFM Upgrade to Utility Network**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	721,940	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	7,990	-	-	-	-	-	-
370: Outside Services	9,303,910	-	-	-	-	-	-
374: Outside Services Legal	8,269	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	7,422	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	300,186	-	-	-	-	-	-
610: Expenses - General	1,750,336	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	56,679	-	-	-	-	-	-
914: Pension and Benefits	162,336	-	-	-	-	-	-
915: Injuries and Damages	15,658	-	-	-	-	-	-
921: Stores Load	26,116	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(12,344,191)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	16,651	-	-	-	-	-	-

Project No: **94128120** **ArcFM Upgrade to Utility Network**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	721,940
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	7,990
370: Outside Services	-	-	-	9,303,910
374: Outside Services Legal	-	-	-	8,269
377: Outside Svcs-Temp Labor	-	-	-	7,422
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	300,186
610: Expenses - General	-	-	-	1,750,336
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	56,679
914: Pension and Benefits	-	-	-	162,336
915: Injuries and Damages	-	-	-	15,658
921: Stores Load	-	-	-	26,116
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(12,344,191)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	16,651

Project No: 94128120 ArcFM Upgrade to Utility Network

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	721,940	-	-	-	721,940	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	7,990	-	-	-	7,990	-	-	-
370: Outside Services	9,303,910	-	-	-	9,303,910	-	-	-
374: Outside Services Legal	8,269	-	-	-	8,269	-	-	-
377: Outside Svcs-Temp Labor	7,422	-	-	-	7,422	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	300,186	-	-	-	300,186	-	-	-
610: Expenses - General	1,750,336	-	-	-	1,750,336	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	56,679	-	-	-	56,679	-	-	-
914: Pension and Benefits	162,336	-	-	-	162,336	-	-	-
915: Injuries and Damages	15,658	-	-	-	15,658	-	-	-
921: Stores Load	26,116	-	-	-	26,116	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(12,344,191)	-	-	-	(12,344,191)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	16,651	-	-	-	16,651	-	-	-

Project No: **94128120** **ArcFM Upgrade to Utility Network**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	721,940
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	7,990
370: Outside Services	-	-	-	-	-	-	9,303,910
374: Outside Services Legal	-	-	-	-	-	-	8,269
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	7,422
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	300,186
610: Expenses - General	-	-	-	-	-	-	1,750,336
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	56,679
914: Pension and Benefits	-	-	-	-	-	-	162,336
915: Injuries and Damages	-	-	-	-	-	-	15,658
921: Stores Load	-	-	-	-	-	-	26,116
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(12,344,191)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	16,651

Project No: 94128328 NERC CIP GRC ELA 2028

Company: 007 PNMR Services Company
Location: 941 Corp Alloc-Gen PNMR Utility

Project Information

County % Bernalillo 100%

Estimated Start Date 7/1/2028

Estimated Completion Date 9/30/2028

Description

The NERC CIP GRC ELA 2028 project renews the Enterprise License Agreement (ELA) for a Governance, Risk, and Compliance (GRC) platform designed to support the management of North American Electric Reliability Corporation Critical Infrastructure Protection (NERC CIP) compliance activities across PNM. The solution provides centralized workflows, automated data collection, compliance monitoring, analytics, reporting, dashboards, evidence management, and risk tracking capabilities. The platform supports NERC-affected business units, including Business Technology Services, Operations, Generation, and other compliance stakeholders, by providing improved visibility into compliance obligations and organizational readiness. The project also replaces legacy compliance tracking processes and custom workflows that are approaching end-of-life, helping establish a more sustainable, automated, and auditable compliance management environment.

Project No: 94128328 NERC CIP GRC ELA 2028

Project Need Justification

PNM operates in a highly regulated environment and must maintain compliance with NERC CIP standards governing the protection of critical cyber assets and bulk electric system operations. Existing compliance processes rely heavily on manual activities, email-based coordination, and legacy workflow solutions that are becoming increasingly difficult to support and maintain. The NERC CIP GRC platform is needed to improve compliance visibility, automate administrative activities, centralize documentation, and provide more effective monitoring of compliance obligations. Renewal of the Enterprise License Agreement ensures continued access to the tools necessary to support regulatory compliance, improve governance processes, strengthen audit readiness, and reduce operational risk associated with manual compliance management activities.

Project No: **94128328** **NERC CIP GRC ELA 2028**

Project Alternatives

Alternative 1) Continue relying on manual processes, email communications, spreadsheets, and legacy workflow solutions to manage NERC CIP compliance activities. This approach would increase administrative burden, reduce visibility into compliance status, and create greater risk of missed obligations or audit findings.

Alternative 2) Develop and maintain custom internal compliance management solutions. While feasible, this approach would require significant development, support, and ongoing maintenance resources while introducing long-term supportability risks and limiting access to industry-specific compliance functionality.

Project No: **94128328** **NERC CIP GRC ELA 2028**

Project Estimate Approach

Project cost estimates were developed using vendor renewal quotations, anticipated licensing requirements, implementation support assumptions, and projected utilization of compliance management capabilities over the agreement period. The estimate reflects expected software subscription costs, vendor support services, configuration activities, and ongoing maintenance requirements associated with operating the GRC platform. Cost assumptions were informed by historical expenditures for compliance management solutions, evaluations of future regulatory support needs, and organizational experience administering enterprise governance and compliance technologies. This methodology provides a reasonable projection of anticipated costs necessary to sustain and enhance compliance management capabilities throughout the term of the agreement.

Project No: **94128328** **NERC CIP GRC ELA 2028**

Customer Benefit

Customers benefit from PNM's ability to maintain compliance with regulatory requirements that support the reliability and security of electric utility operations. The NERC CIP GRC platform improves the organization's ability to manage compliance obligations, monitor risk, and maintain accurate records supporting regulatory requirements. By strengthening compliance oversight and reducing the likelihood of compliance-related issues, the project supports the reliable operation of the systems and processes required to provide safe and dependable electric service.

Project No: **94128328** **NERC CIP GRC ELA 2028**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **94128328** **NERC CIP GRC ELA 2028**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Regulatory compliance programs are becoming increasingly complex as organizations manage growing volumes of operational, cybersecurity, and governance-related requirements. PNM continues to invest in technologies that improve the efficiency, accuracy, and transparency of compliance management activities. The NERC CIP GRC platform leverages automation, workflow management, advanced reporting, and centralized data management capabilities to streamline compliance processes and provide actionable insights into organizational risk and readiness. By modernizing compliance operations and improving access to compliance information, the project enhances the organization's ability to efficiently manage regulatory requirements while supporting long-term operational excellence.

Project No: 94128328 NERC CIP GRC ELA 2028

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **94128328** **NERC CIP GRC ELA 2028**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **94128328** **NERC CIP GRC ELA 2028**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 94128328 NERC CIP GRC ELA 2028

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **94128328** **NERC CIP GRC ELA 2028**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	667	667	667	2,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	520,000	520,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	2	7	1,453	1,462
610: Expenses - General	-	-	-	-	-	4,000	4,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	53	53	53	160
914: Pension and Benefits	-	-	-	157	157	157	470
915: Injuries and Damages	-	-	-	14	14	14	43
921: Stores Load	-	-	-	-	-	16,994	16,994
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	(545,129)	(545,129)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	894	898	(1,791)	(0)

Project No: 94128425 NERC GRC Software 2025

Company: 007 PNMR Services Company
Location: 941 Corp Alloc-Gen PNMR Utility

Project Information

County % Bernalillo 100%

Estimated Start Date 7/30/2025

Estimated Completion Date 10/31/2026

Description

The NERC GRC Software 2025 project will implement a secure Governance, Risk & Compliance (GRC) tool that has NERC (North American Electric Reliability Corporation)-specific capabilities and provide visibility into PNM's NERC-related compliance posture. The new system will provide increased and automated data, analytics, metrics, and dashboards that will improve the NERC Reliability Governance Department's ability to support NERC-affected business units (including BTS, NM Ops, TNMP, Generation, etc.). The system will improve PNM and TNMP's overall compliance culture and responsiveness by eliminating current practice involving emails, texts, paper forms and other less efficient or reliable media.

Project No: **94128425** **NERC GRC Software 2025**

Project Need Justification

Efficient and standardized management of governance, risk, compliance tests, and confirmations is increasingly a fundamental expectation of large companies including utilities. This helps ensure PNM can satisfy public, governmental, and investor inquires into the state of management of PNM. Historically, PNM has not had a systematized method of responding to these inquiries, instead relying on manually stored and collated information from disparate systems, which could take significant time to research and respond and which was subject to gaps and inaccuracies. A modern GRC system such as that installed in the NERC CIP GRC project is a significant step forward to improve efficiency and accuracy to critical regulatory queries.

Project No: **94128425** **NERC GRC Software 2025**

Project Alternatives

Alternative 1) Continue managing NERC compliance activities through email, text messages, spreadsheets, paper documentation, and manual workflows. This approach was evaluated and not selected because it requires significant manual effort, increases the risk of inconsistent recordkeeping, reduces visibility into compliance status, and makes audit preparation more resource intensive. As compliance obligations continue to grow, manual processes become increasingly inefficient and difficult to sustain.

Alternative 2) Enhance existing internally developed workflows and SharePoint-based tools to support compliance activities. This alternative was considered but rejected because it would require ongoing development and maintenance efforts while still lacking many of the specialized governance, risk management, reporting, analytics, and audit support capabilities available in commercial NERC-focused GRC platforms.

Project No: 94128425 NERC GRC Software 2025

Project Estimate Approach	PNM has used a combination of vendor quotes and internal estimates of labor required to install, configure, and test similar systems in order to arrive at a likely cost for implementation of this new system.

Project No: **94128425** **NERC GRC Software 2025**

Customer Benefit

Customers benefit from investments that help maintain the reliability, security, and regulatory compliance of the electric systems that support power delivery operations. The NERC GRC Software project improves the organization's ability to manage and track compliance obligations, respond efficiently to audits, monitor risk, and maintain required documentation supporting critical reliability standards. By improving compliance oversight and reducing the likelihood of regulatory violations, the project helps avoid costly compliance issues, supports dependable operation of critical utility systems, and strengthens the reliability and resiliency of the electric grid. These benefits help ensure that utility resources remain focused on delivering safe, reliable, and cost-effective electric service to customers.

Project No: **94128425** **NERC GRC Software 2025**

Primary Value Driver	Compliance
Compliance	PNMR will use this program to make improvements that allow it to continue to comply with NERC CIP standards and requirements.
Customer Delivery	
Energy Transition	

Project No: **94128425** **NERC GRC Software 2025**

General Services

Reliability & Resiliency

Projects implemented under the NERC CIP Program primarily focus on mitigating risks associated with gaps in monitoring and security of critical transmission systems.

Safety & Security

Technology Advancements

Project No: 94128425 NERC GRC Software 2025

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	83,841	2,000	2,000	2,000	-	-	-	89,841
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	93,409	-	-	-	-	-	-	93,409
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	21,965	2,545	2,571	2,632	2,683	-	-	32,397
610: Expenses - General	292,233	10,000	-	15,000	-	-	-	317,233
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	6,494	160	160	160	-	-	-	6,974
914: Pension and Benefits	17,644	437	437	437	-	-	-	18,954
915: Injuries and Damages	1,744	40	40	40	-	-	-	1,863
921: Stores Load	867	-	-	-	-	-	-	867
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	(546,948)	-	-	(546,948)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	518,196	15,182	5,208	20,269	(544,265)	-	-	14,589

Project No: **94128425** **NERC GRC Software 2025**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	89,841	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	93,409	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	32,397	-	-	-	-	-	-
610: Expenses - General	317,233	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	6,974	-	-	-	-	-	-
914: Pension and Benefits	18,954	-	-	-	-	-	-
915: Injuries and Damages	1,863	-	-	-	-	-	-
921: Stores Load	867	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(546,948)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	14,589	-	-	-	-	-	-

Project No: **94128425** **NERC GRC Software 2025**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	89,841
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	93,409
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	32,397
610: Expenses - General	-	-	-	317,233
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	6,974
914: Pension and Benefits	-	-	-	18,954
915: Injuries and Damages	-	-	-	1,863
921: Stores Load	-	-	-	867
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(546,948)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	14,589

Project No: 94128425 NERC GRC Software 2025

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	89,841	-	-	-	89,841	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	93,409	-	-	-	93,409	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	32,397	-	-	-	32,397	-	-	-
610: Expenses - General	317,233	-	-	-	317,233	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	6,974	-	-	-	6,974	-	-	-
914: Pension and Benefits	18,954	-	-	-	18,954	-	-	-
915: Injuries and Damages	1,863	-	-	-	1,863	-	-	-
921: Stores Load	867	-	-	-	867	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(546,948)	-	-	-	(546,948)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	14,589	-	-	-	14,589	-	-	-

Project No: **94128425** **NERC GRC Software 2025**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	89,841
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	93,409
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	32,397
610: Expenses - General	-	-	-	-	-	-	317,233
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,974
914: Pension and Benefits	-	-	-	-	-	-	18,954
915: Injuries and Damages	-	-	-	-	-	-	1,863
921: Stores Load	-	-	-	-	-	-	867
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(546,948)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	14,589

Project No: 94128528 Fortra FIM Tripwire ELA 2028

Company: 007 PNMR Services Company
Location: 941 Corp Alloc-Gen PNMR Utility

Project Information

County % Bernalillo 100%

Estimated Start Date 4/1/2028

Estimated Completion Date 5/31/2028

Description

Tripwire software is a cybersecurity and compliance tool primarily used for file integrity monitoring (FIM), security configuration management, and vulnerability management. It creates a trusted baseline of system files and alerts administrators in real-time when unauthorized or suspicious changes occur. PNM uses this system primarily in its operations data center, where electrical transmission information are maintained and decisions made. NERC requirements specify that utilities like PNM must have the ability to monitor critical file access. The Fortra FIM Tripwire Enterprise License Agreement (ELA) project is a capitalizable three-year enterprise license agreement that allows PNM to use this system.

Project No: 94128528 Fortra FIM Tripwire ELA 2028

Project Need Justification

PNM relies on file integrity monitoring and security configuration management capabilities to help protect critical technology systems supporting electric transmission operations and compliance with NERC CIP requirements. Tripwire provides continuous monitoring of critical system files and configurations, allowing the organization to identify unauthorized or unexpected changes that could indicate cybersecurity threats, system misconfigurations, or compliance issues. Renewal of the Fortra FIM Tripwire Enterprise License Agreement is necessary to maintain access to these monitoring capabilities, preserve compliance with applicable reliability standards, and ensure continued support for critical cybersecurity controls. Failure to maintain these capabilities would reduce visibility into changes occurring within critical systems and increase operational, cybersecurity, and regulatory compliance risks.

Project No: **94128528** **Fortra FIM Tripwire ELA 2028**

Project Alternatives

Alternative 1) Allow the Tripwire Enterprise License Agreement to expire and rely on manual monitoring and review processes. This approach would significantly increase administrative effort, reduce the timeliness of detecting unauthorized changes, and increase the risk of non-compliance with NERC CIP file integrity monitoring requirements.

Alternative 2) Replace Tripwire with a competing file integrity monitoring and cybersecurity compliance solution. Alternative products were evaluated as part of the ongoing technology review process; however, replacing Tripwire would require new integrations, implementation activities, testing, retraining, and operational transition efforts. PNM determined that Tripwire continues to provide the capabilities required to support compliance, cybersecurity monitoring, and operational requirements in a cost-effective manner and remains widely deployed across the utility industry.

Project No: **94128528** **Fortra FIM Tripwire ELA 2028**

Project Estimate Approach	The Fortra Tripwire ELA 2028 project has been estimated based on expected future use in combination with expected inflation based on its previous licensing cost.

Project No: **94128528** **Fortra FIM Tripwire ELA 2028**

Customer Benefit	Customers benefit from investments that help protect the critical technology systems used to support reliable electric operations. The Fortra FIM Tripwire platform improves PNM's ability to detect unauthorized changes to critical systems, identify potential cybersecurity threats, and maintain compliance with reliability standards designed to protect utility infrastructure. These capabilities help reduce the risk of cybersecurity incidents, system disruptions, and operational events that could affect the reliability of electric service. By strengthening the security and integrity of critical operational systems, the project supports the continued delivery of safe, reliable, and resilient electric service to customers.

Project No: **94128528** **Fortra FIM Tripwire ELA 2028**

Primary Value Driver	Compliance
Compliance	PNMR uses the Fortra Tripwire system to ensure it is in compliance with NERC CIP standards and requirements.
Customer Delivery	
Energy Transition	

Project No: **94128528** **Fortra FIM Tripwire ELA 2028**

General Services

Reliability & Resiliency

The Fortra Tripwire system helps ensure continuous monitoring and security of critical transmission systems.

Safety & Security

Technology Advancements

Project No: 94128528 Fortra FIM Tripwire ELA 2028

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **94128528** **Fortra FIM Tripwire ELA 2028**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **94128528** **Fortra FIM Tripwire ELA 2028**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 94128528 Fortra FIM Tripwire ELA 2028

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **94128528** **Fortra FIM Tripwire ELA 2028**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	1,000	1,000	-	-	-	-	2,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	950,000	-	-	-	-	950,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	4	2,614	-	-	-	-	2,618
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	80	80	-	-	-	-	160
914: Pension and Benefits	235	235	-	-	-	-	470
915: Injuries and Damages	22	22	-	-	-	-	43
921: Stores Load	-	31,046	-	-	-	-	31,046
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	(986,337)	-	-	-	-	(986,337)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	1,340	(1,340)	-	-	-	-	-

Project No: **95128127** **ColdFusion Upg 2027**

Company: 007 PNMR Services Company
Location: 951 Corp Alloc PNM Util wBulk Gen

Project Information County % Bernalillo 100%

Estimated Start Date 4/1/2027

Estimated Completion Date 12/31/2027

Description

ColdFusion is a commercial, rapid web-application development platform and server-side scripting language used to build and deploy dynamic web applications. At PNM, it is primarily used to create, maintain, and improve customer-facing Internet sites such as the PNM Outage Map. It requires periodic upgrades such as the present project to help ensure PNM has the latest supportable version of the software incorporating new feature and capabilities.

Project No: 95128127 ColdFusion Upg 2027

Project Need Justification	Because a number of PNM's external web sites are built using ColdFusion development technologies, those must be upgraded and relicensed periodically, including in the present instance. Failure to upgrade can place PNM out of compliance and support which adds unacceptable risk of failure for these sites.

Project No: **95128127 ColdFusion Upg 2027**

Project Alternatives

PNM continually monitors available tools capable of providing the best possible experience for our customers seeking operational information such as outage areas on the Internet. Adobe ColdFusion continues to be a cost-effective and appropriate tool and its use will be renewed as a deliverable of this project. Failure to upgrade could lead to reliance on older versions of the system that might become riskier to use from a security perspective and that will not have the newest capabilities our customers might expect.

Project No: 95128127 ColdFusion Upg 2027

Project Estimate Approach	PNM has based its project estimate on vendor quotes and historical ColdFusion upgrades.

Project No: **95128127 ColdFusion Upg 2027**

Customer Benefit

PNM customers increasingly rely on the Internet to research information about the company and its services as well as operational issues it may be facing due to weather or other factors. Upgrading the ColdFusion web development platform ensures PNM can deliver and meet customer expectations, especially in a world where increasingly sophisticated web interfaces raise customer expectations about what a company is capable of.

Project No: 95128127 ColdFusion Upg 2027

Primary Value Driver: Customer Delivery

Compliance

Customer Delivery: PNM customers expect the company to provide quick, accurate, and easily comprehensible information about its operations. Customers increasingly judge PNM's performance and capabilities based on the professional appearance and ease of use of web sites and tools PNM provides for their use. Upgrade of PNM's ColdFusion web development system helps ensure the company meets or exceeds those expectations.

Energy Transition

Project No: **95128127** **ColdFusion Upg 2027**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Project No: 95128127 ColdFusion Upg 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 95128127 ColdFusion Upg 2027

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	1,000	1,000	1,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	120,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	4	11	370
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	80	80	80
914: Pension and Benefits	-	-	-	-	235	235	235
915: Injuries and Damages	-	-	-	-	22	22	22
921: Stores Load	-	-	-	-	-	-	3,922
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	1,341	1,348	125,628

Project No: **95128127** **ColdFusion Upg 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	1,000	1,000	1,000	6,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	120,000
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	710	721	733	2,549
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	80	80	80	480
914: Pension and Benefits	235	235	235	1,411
915: Injuries and Damages	22	22	22	130
921: Stores Load	-	-	-	3,922
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	2,047	2,058	2,070	134,492

Project No: 95128127 ColdFusion Upg 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	6,000	1,000	1,000	-	8,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	120,000	-	-	-	120,000	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,549	729	740	791	4,809	-	-	-
610: Expenses - General	-	-	-	10,000	10,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	480	80	80	-	640	-	-	-
914: Pension and Benefits	1,411	235	235	-	1,881	-	-	-
915: Injuries and Damages	130	22	22	-	174	-	-	-
921: Stores Load	3,922	-	-	-	3,922	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(149,425)	(149,425)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	134,492	2,066	2,077	(138,634)	-	-	-	-

Project No: 95128127 ColdFusion Upg 2027

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	8,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	120,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	4,809
610: Expenses - General	-	-	-	-	-	-	10,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	640
914: Pension and Benefits	-	-	-	-	-	-	1,881
915: Injuries and Damages	-	-	-	-	-	-	174
921: Stores Load	-	-	-	-	-	-	3,922
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(149,425)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 95128146 CPR OT Assets Annual Refresh 2026

Company: 007 PNMR Services Company
Location: 951 Corp Alloc PNM Util wBulk Gen

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The Computer Platform Refresh (CPR) Operations Technology (OT) project is an annual blanket to replace end-of-life hardware assets directly associated with PNM Transmission Operations Technology, including routers, firewalls, and other networking equipment as well as data storage components. This project covers replacements in 2026.

Project No: 95128146 CPR OT Assets Annual Refresh 2026

Project Need Justification

Hardware used to connect computers safely to correct components has a limited lifespan, both because the components themselves can wear out and because continual improvements in these technologies quickly leads to obsolescence and vulnerabilities. This equipment must be replaced on a regular schedule as a result. The Transmission Operations Technology area has especially stringent safety, security, and reliability requirements as part of PNM's commitment to NERC CIP (Critical Infrastructure Protection) standards.

Project No: **95128146** **CPR OT Assets Annual Refresh 2026**

Project Alternatives

Alternative 1) Continue operating end-of-life Operations Technology (OT) infrastructure beyond its recommended lifecycle and replace equipment only after failures occur. This approach was considered but not selected because it increases the risk of equipment failures, reduced vendor support, cybersecurity vulnerabilities, and unplanned operational disruptions affecting critical transmission technology systems.

Alternative 2) Replace only the highest-risk assets identified through periodic risk assessments and defer replacement of other aging equipment. While this approach may reduce near-term capital expenditures, it would extend the use of unsupported or obsolete infrastructure, increase operational complexity, and create inconsistencies in hardware platforms and support models across the OT environment. This alternative was determined to increase long-term operational risk and maintenance costs.

Project No: **95128146** **CPR OT Assets Annual Refresh 2026**

Project Estimate Approach	The current project funding estimate is derived from past experience with assessing the age of current inventory in the larger context of PNMR's overall technology budget. PNMR regularly compares prices with a number of vendors who supply the equipment needed, selects the best overall value, and uses quotes from these vendors to estimate cost.

Project No: **95128146 CPR OT Assets Annual Refresh 2026**

Customer Benefit	PNMR customers benefit from the CPR OT blanket project through greater reliability due to significant mitigation of equipment failure and cybersecurity threats as well as mandated compliance with North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) rules and regulations.

Project No: 95128146 CPR OT Assets Annual Refresh 2026

Primary Value Driver	Compliance
Compliance	The CPR OT project enables PNMR to comply with mandated North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) rules and regulations.
Customer Delivery	
Energy Transition	

Project No: **95128146** **CPR OT Assets Annual Refresh 2026**

General Services	
Reliability & Resiliency	Equipment purchased under the CPR OT project reduces risk associated with monitoring and security of critical transmission systems.
Safety & Security	Equipment purchased under the CPR OT project reduces risk associated with monitoring and security of critical transmission systems.
Technology Advancements	

Project No: 95128146 CPR OT Assets Annual Refresh 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	2,937	9,091	9,091	9,091	9,091	9,091	9,091	57,482
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	341,574	66,364	66,364	66,364	30,000	-	22,000	592,665
370: Outside Services	63,714	5,545	5,545	5,545	5,545	5,545	5,545	96,987
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	909	909	909	909	909	909	5,455
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	5,165	2,267	2,690	3,134	3,481	3,634	4,263	24,633
610: Expenses - General	-	-	-	-	-	-	181,000	181,000
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	235	727	727	727	727	727	727	4,599
914: Pension and Benefits	641	1,985	1,985	1,985	1,985	1,985	1,985	12,548
915: Injuries and Damages	58	181	181	181	181	181	181	1,144
921: Stores Load	1,168	2,846	2,846	2,846	1,286	-	943	11,935
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(983,282)	(983,282)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	415,492	89,914	90,337	90,782	53,206	22,072	(756,638)	5,165

Project No: **95128146** **CPR OT Assets Annual Refresh 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	57,482	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	592,665	-	-	-	-	-	-
370: Outside Services	96,987	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	5,455	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	24,633	-	-	-	-	-	-
610: Expenses - General	181,000	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	4,599	-	-	-	-	-	-
914: Pension and Benefits	12,548	-	-	-	-	-	-
915: Injuries and Damages	1,144	-	-	-	-	-	-
921: Stores Load	11,935	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(983,282)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	5,165	-	-	-	-	-	-

Project No: **95128146** **CPR OT Assets Annual Refresh 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	57,482
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	592,665
370: Outside Services	-	-	-	96,987
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	5,455
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	24,633
610: Expenses - General	-	-	-	181,000
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	4,599
914: Pension and Benefits	-	-	-	12,548
915: Injuries and Damages	-	-	-	1,144
921: Stores Load	-	-	-	11,935
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(983,282)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	5,165

Project No: 95128146 CPR OT Assets Annual Refresh 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	57,482	-	-	-	57,482	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	592,665	-	-	-	592,665	-	-	-
370: Outside Services	96,987	-	-	-	96,987	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	5,455	-	-	-	5,455	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	24,633	-	-	-	24,633	-	-	-
610: Expenses - General	181,000	-	-	-	181,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,599	-	-	-	4,599	-	-	-
914: Pension and Benefits	12,548	-	-	-	12,548	-	-	-
915: Injuries and Damages	1,144	-	-	-	1,144	-	-	-
921: Stores Load	11,935	-	-	-	11,935	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(983,282)	-	-	-	(983,282)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	5,165	-	-	-	5,165	-	-	-

Project No: **95128146** **CPR OT Assets Annual Refresh 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	57,482
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	592,665
370: Outside Services	-	-	-	-	-	-	96,987
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	5,455
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	24,633
610: Expenses - General	-	-	-	-	-	-	181,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,599
914: Pension and Benefits	-	-	-	-	-	-	12,548
915: Injuries and Damages	-	-	-	-	-	-	1,144
921: Stores Load	-	-	-	-	-	-	11,935
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(983,282)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	5,165

Project No: 95128147 CPR OT Assets Annual Refresh 2027

Company: 007 PNMR Services Company
Location: 951 Corp Alloc PNM Util wBulk Gen

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Computer Platform Refresh (CPR) Operations Technology (OT) project is an annual blanket to replace end-of-life hardware assets directly associated with Operations Technology, including routers, firewalls, and other networking equipment as well as data storage components. This project covers replacements in 2027.

Project No: 95128147 CPR OT Assets Annual Refresh 2027

Project Need Justification

Operations Technology (OT) infrastructure, including routers, firewalls, networking components, and data storage equipment, plays a critical role in supporting electric transmission operations and the secure operation of systems associated with the Bulk Electric System (BES). These assets have finite service lives and must be replaced periodically to maintain reliability, cybersecurity protections, vendor supportability, and compliance with applicable NERC Critical Infrastructure Protection (CIP) requirements. NERC CIP standards require utilities to maintain secure, supportable, and appropriately protected cyber assets that support reliable grid operations. As hardware ages, manufacturers discontinue support, security updates become unavailable, and the risk of equipment failures and cybersecurity vulnerabilities increases. The CPR OT Assets Annual Refresh 2027 project provides a structured lifecycle replacement program that helps ensure critical OT infrastructure remains secure, supported, and capable of meeting operational and regulatory requirements while reducing risks to transmission operations and grid reliability.

Project No: **95128147 CPR OT Assets Annual Refresh 2027**

Project Alternatives

Alternative 1) Continue operating OT equipment beyond its recommended lifecycle and replace assets only after failures occur. This run-to-failure approach was evaluated and not selected because it increases the likelihood of equipment outages, unsupported hardware, cybersecurity vulnerabilities, and operational disruptions affecting critical transmission systems. It also increases the risk of non-compliance with applicable cybersecurity and infrastructure protection requirements.

Alternative 2) Replace only those assets determined to be at the highest risk based on age, condition, or operational criticality. While this approach could reduce short-term capital expenditures, it would extend the use of aging infrastructure across portions of the OT environment, increase support complexity, and result in inconsistent security and lifecycle management practices. This alternative was determined to provide limited long-term risk reduction while potentially increasing future maintenance and replacement costs

Project No: **95128147** **CPR OT Assets Annual Refresh 2027**

Project Estimate Approach	The current project funding estimate is derived from past experience with assessing the age of current inventory in the larger context of PNMR's overall technology budget. PNMR regularly compares prices with a number of vendors who supply the equipment needed, selects the best overall value, and uses quotes from these vendors to estimate cost.

Project No: **95128147** **CPR OT Assets Annual Refresh 2027**

Customer Benefit	PNMR customers benefit from the CPR OT project through greater reliability due to significant mitigation of equipment failure and cybersecurity threats as well as mandated compliance with North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) rules and regulations.

Project No: 95128147 CPR OT Assets Annual Refresh 2027

Primary Value Driver	Compliance
Compliance	The CPR OT project enables PNMR to comply with mandated North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) rules and regulations.
Customer Delivery	
Energy Transition	

Project No: **95128147** **CPR OT Assets Annual Refresh 2027**

General Services

Reliability & Resiliency — Equipment purchased under the CPR OT project reduces risk associated with monitoring and security of critical transmission systems.

Safety & Security — Equipment purchased under the CPR OT project reduces risk associated with monitoring and security of critical transmission systems.

Technology Advancements

Project No: 95128147 CPR OT Assets Annual Refresh 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **95128147** **CPR OT Assets Annual Refresh 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	455	454	455	454	455
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	64,929	64,929	64,929	64,929
370: Outside Services	-	-	-	22,639	22,639	22,639	22,639
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	2	255	754	1,285	1,807
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	36	36	36	36	36
914: Pension and Benefits	-	-	107	107	107	107	107
915: Injuries and Damages	-	-	10	10	10	10	10
921: Stores Load	-	-	-	2,122	2,122	2,122	2,122
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	610	90,552	91,052	91,583	92,105

Project No: **95128147** **CPR OT Assets Annual Refresh 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	454	455	454	3,636
120: Overtime-General	-	-	-	-
350: Material Issues-Major	64,929	64,929	64,929	454,506
370: Outside Services	22,639	22,639	22,639	158,473
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	2,264	2,771	3,285	12,423
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	36	36	36	291
914: Pension and Benefits	107	107	107	855
915: Injuries and Damages	10	10	10	79
921: Stores Load	2,122	2,122	2,122	14,853
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	92,561	93,070	93,582	645,116

Project No: 95128147 CPR OT Assets Annual Refresh 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	3,636	455	454	455	5,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	454,506	64,929	64,929	104,706	689,071	-	-	-
370: Outside Services	158,473	22,639	22,639	46,248	250,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	12,423	3,722	4,230	5,019	25,393	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	291	36	36	36	400	-	-	-
914: Pension and Benefits	855	107	107	107	1,176	-	-	-
915: Injuries and Damages	79	10	10	10	108	-	-	-
921: Stores Load	14,853	2,122	2,122	3,422	22,519	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(993,667)	(993,667)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	645,116	94,021	94,527	(833,664)	(0)	-	-	-

Project No: **95128147** **CPR OT Assets Annual Refresh 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	5,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	689,071
370: Outside Services	-	-	-	-	-	-	250,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	25,393
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	400
914: Pension and Benefits	-	-	-	-	-	-	1,176
915: Injuries and Damages	-	-	-	-	-	-	108
921: Stores Load	-	-	-	-	-	-	22,519
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(993,667)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96828046 ZenGRC ELA 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2026

Estimated Completion Date 7/1/2026

Description

The GRC Renewal 2026 project renews the three-year capitalizable enterprise license agreement. PNMR's current GRC (Governance, Risk and Compliance) system, ZenGRC, consolidates corporate wide risks.

Project No: **96828046** **ZenGRC ELA 2026**

Project Need Justification

PNMR's current GRC (Governance, Risk and Compliance) system, ZenGRC, consolidates corporate wide risks. Prior to implementation of ZenGRC, PNMR's risk assessment was segmented, requiring time-consuming and error-prone manual coordination. Additionally, the previous manual process did not facilitate identification of system-wide risk due to focus on individual "risk silos." With ZenGRC, PNMR is able to respond quickly to changes in risk and promptly identify previously missed risk factors that can arise as the result of a change.

Project No: **96828046** **ZenGRC ELA 2026**

Project Alternatives

1. Do nothing. The ZenGRC license will expire and PNMR will need to revert to the prior risk assessment process, which consumes greater resources, requires error-prone manual coordination, and does not facilitate identification of system-wide risk.
2. Other alternatives will be considered if the current GRC system no longer satisfies all current PNMR requirements at a reasonable cost and becomes a candidate for upgrade or replacement.

Project No: **96828046** **ZenGRC ELA 2026**

Project Estimate Approach	Cost of this project has been estimated using vendor quotes and minimal allowable capital overhead.

Project No: **96828046** **ZenGRC ELA 2026**

Customer Benefit	PNMR's GRC tool benefits customers directly by increasing reliability and decreasing cost associated with unforeseen and unmitigated risks.

Project No: 96828046 ZenGRC ELA 2026

Primary Value Driver: Compliance

Compliance: PNMR is required to participate safely in many highly regulated environments. Having a GRC system like ZenGRC enables PNMR to report mitigation plans for any and all risks various entities, including the company itself, may have an interest in.

Customer Delivery

Energy Transition

Project No: **96828046** **ZenGRC ELA 2026**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Project No: 96828046 ZenGRC ELA 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	560	-	-	-	-	-	-	560
610: Expenses - General	222,784	-	-	-	-	-	-	222,784
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	673	-	-	-	-	-	-	673
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	(223,456)	-	-	-	-	-	(223,456)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	224,016	(223,456)	-	-	-	-	-	560

Project No: **96828046** **ZenGRC ELA 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	560	-	-	-	-	-	-
610: Expenses - General	222,784	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	673	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(223,456)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	560	-	-	-	-	-	-

Project No: **96828046** **ZenGRC ELA 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	560
610: Expenses - General	-	-	-	222,784
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	673
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(223,456)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	560

Project No: 96828046 ZenGRC ELA 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	560	-	-	-	560	-	-	-
610: Expenses - General	222,784	-	-	-	222,784	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	673	-	-	-	673	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(223,456)	-	-	-	(223,456)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	560	-	-	-	560	-	-	-

Project No: **96828046** **ZenGRC ELA 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	560
610: Expenses - General	-	-	-	-	-	-	222,784
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	673
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(223,456)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	560

Project No: 96828047 IBM DataStage ETL Upg 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 1/1/2027

Estimated Completion Date 12/31/2027

Description

The DataStage Extract Transform Load (ETL) Upgrade project is a required refresh of software, hardware, and interfaces for core business analytics components used throughout PNM, including tools such as DataStage, Cognos, Denodo, and Infosphere. These are advanced systems used to evaluate vast pools of information from many sources both within and beyond the company in order to assess current company and systems performance as well as make accurate predictions about future expectations and requirements. This refresh is required by equipment wearing out, software being updated with new capabilities and added protections against vulnerabilities, and expiring licensing.

Project No: 96828047 IBM DataStage ETL Upg 2027

Project Need Justification

PNM monitors hundreds of sources of information from across the company and beyond to ensure it is running as efficiently, reliably, and safely as possible. Business analytics tools encompassed by the DataStage refresh are vital to many departments across the company, affecting staffing, energy production and distribution and virtually every other aspect of the business. The tools required to analyze the vast quantities and disparate types of information monitored require significant computational and data management capabilities that require periodic replacement as parts wear out and new capabilities become available. These systems typically require a complete refresh every three to four years. The previous refresh was completed in 2024.

Project No: 96828047 IBM DataStage ETL Upg 2027

Project Alternatives

PNM continually monitors requirements and available options to meet its business analytics needs. The current toolset is appropriate and satisfactory for the company's needs so a change in product mix is not necessary at this time. The equipment and foundational software used in PNM's DataStage operations will be at the end of its effective useful life by 2027. Failure to refresh DataStage or any delays risks critical system failure that can have many downstream negative repercussions PNM must avoid, including energy management and customer responsiveness.

Project No: **96828047** **IBM DataStage ETL Upg 2027**

Project Estimate Approach	The current estimate for refreshing DataStage is based on several previously completed refreshes (most recently in 2024) with reasonable inflation added.

Project No: **96828047** **IBM DataStage ETL Upg 2027**

Customer Benefit

Customers benefit when PNM can make well-informed operational, infrastructure, and investment decisions based on accurate, timely, and comprehensive data analysis. The IBM DataStage ETL Upgrade 2027 project helps ensure that critical business intelligence and analytics platforms remain reliable, secure, and capable of processing large volumes of data from across the enterprise. These capabilities support more accurate forecasting, improved planning for future system needs, more efficient resource allocation, and more timely responses to changing business and regulatory requirements. The upgraded platform also improves the organization's ability to provide accurate information during regulatory proceedings, customer inquiries, and operational planning activities. By maintaining modern business analytics capabilities, PNM can make better-informed decisions that support reliable service, operational efficiency, and long-term value for customers.

Project No: 96828047 IBM DataStage ETL Upg 2027

Primary Value Driver	Reliability & Resiliency
Compliance	PNM requires advanced business analytics to comply with requests and requirements from the many regulatory entities monitoring company performance. Capable business analytics such as DataStage require periodic replacement and improvement of foundational hardware and software on which these systems run.
Customer Delivery	
Energy Transition	

Project No: **96828047 IBM DataStage ETL Upg 2027**

General Services

Reliability & Resiliency

PNM monitors hundreds of sources of information from across the company and beyond to ensure it is running as efficiently, reliably, and safely as possible. Business analytics tools encompassed by the DataStage refresh are vital to many departments across the company, affecting staffing, energy production and distribution and virtually every other aspect of the business. The tools required to analyze the vast quantities and disparate types of information monitored require significant computational and data management capabilities that require periodic replacement as parts wear out and new capabilities become available. These systems typically require a complete refresh every three to four years. The previous refresh was completed in 2024.

Safety & Security

Technology Advancements

Project No: 96828047 IBM DataStage ETL Upg 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828047** **IBM DataStage ETL Upg 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	2,500	2,500	2,500	2,500	2,500	2,500
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	2,083	2,083	2,083	2,083	2,083	2,083
370: Outside Services	-	10,000	10,000	10,000	10,000	10,000	10,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	45	135	217	302	398	489
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	200	200	200	200	200	200
914: Pension and Benefits	-	588	588	588	588	588	588
915: Injuries and Damages	-	54	54	54	54	54	54
921: Stores Load	-	68	68	68	68	68	68
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	15,538	15,629	15,710	15,795	15,892	15,982

Project No: **96828047** **IBM DataStage ETL Upg 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	2,500	2,500	2,500	22,500
120: Overtime-General	-	-	-	-
350: Material Issues-Major	2,083	2,083	2,083	18,750
370: Outside Services	10,000	10,000	10,000	90,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	563	651	740	3,541
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	200	200	200	1,800
914: Pension and Benefits	588	588	588	5,290
915: Injuries and Damages	54	54	54	488
921: Stores Load	68	68	68	613
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	16,057	16,145	16,234	142,982

Project No: 96828047 IBM DataStage ETL Upg 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	22,500	2,500	2,500	2,500	30,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	18,750	2,083	2,083	2,083	25,000	-	-	-
370: Outside Services	90,000	10,000	10,000	10,000	120,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	3,541	813	901	1,038	6,292	-	-	-
610: Expenses - General	-	-	-	10,000	10,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,800	200	200	200	2,400	-	-	-
914: Pension and Benefits	5,290	588	588	588	7,053	-	-	-
915: Injuries and Damages	488	54	54	54	651	-	-	-
921: Stores Load	613	68	68	68	817	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(202,213)	(202,213)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	142,982	16,306	16,394	(175,682)	(0)	-	-	-

Project No: **96828047** **IBM DataStage ETL Upg 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	30,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	25,000
370: Outside Services	-	-	-	-	-	-	120,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	6,292
610: Expenses - General	-	-	-	-	-	-	10,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	2,400
914: Pension and Benefits	-	-	-	-	-	-	7,053
915: Injuries and Damages	-	-	-	-	-	-	651
921: Stores Load	-	-	-	-	-	-	817
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(202,213)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96828057 3rd Party Risk Mgmt Ph 1 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The 3rd Party Risk Mgmt Ph 1 project introduces new capabilities to expand vendor inventory and risk assessment coverage. In today's operating environment where PNM, as all utilities, faces exponentially increasing threats, both in quantity and potential severity, this project improves the company's visibility into third-party risk exposure. This risk stems from PNM's necessary reliance on vendors to provide materials and services required to safely and efficiently run the business and provide reliable electricity to customers.

Project No: **96828057 3rd Party Risk Mgmt Ph 1 2027**

Project Need Justification

With today's rapidly increasing reliance, both within PNM and with its vendors, on artificial intelligence, many benefits accrue; but risks also increase including those with potentially severe consequences such as loss of capabilities. The 3rd Party Risk Management Phase 1 project expects to install cutting edge capabilities to help PNM assess and manage risks introduced to our supply lines and required vendor services through the use of AI by others that PNM cannot directly manage itself. Failure to implement these protective systems and measures creates an unacceptable vulnerability to threats introduced inadvertently by PNM's suppliers.

Project No: **96828057 3rd Party Risk Mgmt Ph 1 2027**

Project Alternatives

Were PNM to continue business as usual without addressing the vulnerabilities leading experts have proven exist in today's new AI-driven and capable business environment, it would introduce new, unacceptable risks to its business. It is not practical or cost-effective for PNM to assume all capabilities within the company and thereby eliminate reliance and possible vulnerability to 3rd party risks; therefore, the responsible course of action is to implement proven systems capabilities that can eliminate or mitigate those risks of doing business with others.

Project No: **96828057** **3rd Party Risk Mgmt Ph 1 2027**

Project Estimate Approach	Estimates for the 3rd Party Risk Management Ph. 1 project derive from industry expertise sought from leading consultants such as Ernst and Young, combined with PNM's own experience implementing similar types of systems.

Project No: **96828057 3rd Party Risk Mgmt Ph 1 2027**

Customer Benefit

The primary benefit for customers of the 3rd Party Risk Management Ph. 1 project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Project No: 96828057 3rd Party Risk Mgmt Ph 1 2027

Primary Value Driver	Reliability & Resiliency
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828057** **3rd Party Risk Mgmt Ph 1 2027**

General Services

Reliability & Resiliency

The primary benefit for customers of the 3rd Party Risk Management Ph. 1 project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Safety & Security

Technology Advancements

PNM is very aware of the promise and the significant potential threat posed by rapid improvements in artificial intelligence. PNM works closely with expert consultants to leverage AI capabilities to defend its business from these new potentially damaging threats.

Project No: 96828057 3rd Party Risk Mgmt Ph 1 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828057** **3rd Party Risk Mgmt Ph 1 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	7,273	7,273	7,273	7,273	7,273
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	9,091	9,091	9,091	9,091	9,091
370: Outside Services	-	-	18,182	18,182	18,182	18,182	18,182
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	121	350	581	834	1,077
610: Expenses - General	-	-	4,545	4,545	4,545	4,545	4,545
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	582	582	582	582	582
914: Pension and Benefits	-	-	1,710	1,710	1,710	1,710	1,710
915: Injuries and Damages	-	-	158	158	158	158	158
921: Stores Load	-	-	297	297	297	297	297
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	41,959	42,187	42,418	42,671	42,915

Project No: **96828057** **3rd Party Risk Mgmt Ph 1 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	7,273	7,273	7,273	58,182
120: Overtime-General	-	-	-	-
350: Material Issues-Major	9,091	9,091	9,091	72,727
370: Outside Services	18,182	18,182	18,182	145,455
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	1,284	1,520	1,759	7,526
610: Expenses - General	4,545	4,545	4,545	36,364
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	582	582	582	4,655
914: Pension and Benefits	1,710	1,710	1,710	13,679
915: Injuries and Damages	158	158	158	1,263
921: Stores Load	297	297	297	2,377
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	43,121	43,357	43,597	342,226

Project No: 96828057 3rd Party Risk Mgmt Ph 1 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	58,182	7,273	7,273	7,273	80,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	72,727	9,091	9,091	9,091	100,000	-	-	-
370: Outside Services	145,455	18,182	18,182	18,182	200,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	7,526	1,958	2,195	2,484	14,163	-	-	-
610: Expenses - General	36,364	4,545	4,545	4,545	50,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,655	582	582	582	6,400	-	-	-
914: Pension and Benefits	13,679	1,710	1,710	1,710	18,808	-	-	-
915: Injuries and Damages	1,263	158	158	158	1,736	-	-	-
921: Stores Load	2,377	297	297	297	3,268	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(474,375)	(474,375)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	342,226	43,796	44,032	(430,053)	-	-	-	-

Project No: 96828057 3rd Party Risk Mgmt Ph 1 2027

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	80,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	100,000
370: Outside Services	-	-	-	-	-	-	200,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	14,163
610: Expenses - General	-	-	-	-	-	-	50,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,400
914: Pension and Benefits	-	-	-	-	-	-	18,808
915: Injuries and Damages	-	-	-	-	-	-	1,736
921: Stores Load	-	-	-	-	-	-	3,268
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(474,375)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828066 CrowdStrike ELA 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 5/1/2026

Estimated Completion Date 9/30/2026

Description

The CrowdStrike Enterprise License Agreement (ELA) project is a capitalizable three-year enterprise license agreement for a critical IT security protection system. CrowdStrike is a cloud-native cybersecurity solution that acts as an advanced form of Endpoint Detection and Response (EDR), meaning it installs a lightweight agent on computers and servers to monitor activity, block malware, and stop cyber attacks in real time. It is a primary line of defense protecting PNM's systems and networks from nefarious actors attempting to steal information or damage PNM's ability to safely and reliably deliver electricity to customers.

Project No: **96828066** **CrowdStrike ELA 2026**

Project Need Justification

PNM employs multiple layers of cybersecurity protection to defend critical business and operational technology systems from increasingly sophisticated cyber threats. CrowdStrike serves as a foundational component of the company's endpoint security architecture by continuously monitoring computers and servers, detecting malicious activity, and helping prevent malware, ransomware, and other cyber attacks from affecting critical systems. The current enterprise license agreement expires in 2026 and must be renewed to maintain these protections and preserve access to vendor support, threat intelligence, software updates, and ongoing security enhancements. Failure to renew the CrowdStrike platform would significantly weaken endpoint protection capabilities, increase cybersecurity risk, and reduce the organization's ability to detect and respond to threats targeting systems that support safe and reliable electric operations. Maintaining these capabilities is essential to protecting company assets, customer information, and critical infrastructure from evolving cyber threats.

Project No: **96828066** **CrowdStrike ELA 2026**

Project Alternatives

Alternative 1) Allow the CrowdStrike Enterprise License Agreement to expire and rely on existing security controls without an enterprise endpoint detection and response solution. This alternative was not selected because it would significantly reduce visibility into endpoint threats, increase cybersecurity risk, and diminish the organization's ability to rapidly identify and contain malicious activity.

Alternative 2) Replace CrowdStrike with an alternative endpoint detection and response platform. While competing solutions are available in the cybersecurity marketplace, this alternative was not selected because it would require substantial implementation effort, technology migration activities, retraining, testing, and operational transition planning. A platform replacement would also introduce implementation risk and potential disruption to established security operations.

Project No: **96828066** **CrowdStrike ELA 2026**

Project Estimate Approach	Project cost estimates are based on vendor quotes and PNM's own assessment of value.

Project No: **96828066** **CrowdStrike ELA 2026**

Customer Benefit	The primary benefit for customers of CrowdStrike ELA project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Project No: 96828066 CrowdStrike ELA 2026

Primary Value Driver	Reliability & Resiliency
Compliance	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Customer Delivery	
Energy Transition	

Project No: **96828066** **CrowdStrike ELA 2026**

General Services

Reliability & Resiliency

The primary benefit for customers of the CrowdStrike ELA project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Safety & Security

Technology Advancements

PNM is very aware of the promise and the significant potential threat posed by rapid improvements in artificial intelligence. PNM works closely with expert consultants to leverage AI capabilities to defend its business from these new potentially damaging threats.

Project No: 96828066 CrowdStrike ELA 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	1,400,000	-	-	-	-	-	1,400,000
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	3,644	7,236	7,554	-	-	-	18,434
610: Expenses - General	-	-	-	116,000	-	-	-	116,000
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	60,032	-	-	-	-	-	60,032
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,594,466)	-	-	-	(1,594,466)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	1,463,676	7,236	(1,470,912)	-	-	-	-

Project No: **96828066** **CrowdStrike ELA 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	1,400,000	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	18,434	-	-	-	-	-	-
610: Expenses - General	116,000	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	60,032	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,594,466)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96828066** **CrowdStrike ELA 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	1,400,000
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	18,434
610: Expenses - General	-	-	-	116,000
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	60,032
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,594,466)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96828066 CrowdStrike ELA 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,400,000	-	-	-	1,400,000	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	18,434	-	-	-	18,434	-	-	-
610: Expenses - General	116,000	-	-	-	116,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	60,032	-	-	-	60,032	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,594,466)	-	-	-	(1,594,466)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 96828066 CrowdStrike ELA 2026

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	1,400,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	18,434
610: Expenses - General	-	-	-	-	-	-	116,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	60,032
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,594,466)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828067 Segmentation Network and ACI 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Segmentation Network and ACI project will implement Cisco ACI, an industry-leading software-defined networking (SDN) solution designed for data centers. It automates network management, boosts performance, and enforces security policies from a single centralized controller rather than requiring manual, device-by-device configurations. This will improve PNM's data center security by separating applications, users, servers, workloads, and data flows into controlled security zones to reduce risk, limit lateral movement, and enforce consistent access policies across the data center.

Project No: **96828067** **Segmentation Network and ACI 2027**

Project Need Justification

With today's rapidly increasing reliance on artificial intelligence, many benefits accrue; but risks also increase including those with potentially severe consequences such as loss of capabilities. The Segmentation Network and ACI project expects to install cutting edge capabilities to help PNM assess and manage risks made more salient by AI capabilities if the company does not isolate critical functions and equipment in more stringent ways. Failure to implement these protective systems and measures creates an unacceptable vulnerability to threats.

Project No: **96828067 Segmentation Network and ACI 2027**

Project Alternatives

Alternative 1) Continue operating the existing data center network architecture and rely on traditional network segmentation methods and manually managed security controls. This approach was considered but not selected because it provides limited visibility into application communications, increases administrative complexity, and reduces the organization's ability to consistently enforce security policies across the data center environment. Continuing the current approach would also increase cybersecurity risk by limiting the ability to effectively restrict unauthorized lateral movement between systems.

Alternative 2) Implement Cisco Application Centric Infrastructure (ACI) and enhanced network segmentation capabilities. This alternative was selected because it provides centralized policy management, automated network provisioning, improved visibility into application traffic, and consistent enforcement of security controls throughout the data center. The solution improves operational efficiency, strengthens cybersecurity protections, and provides a scalable architecture capable of supporting future business and technology requirements.

Project No: **96828067** **Segmentation Network and ACI 2027**

Project Estimate Approach

Estimates for the Segmentation Network and ACI project derive from industry expertise sought from leading consultants such as Ernst and Young, combined with PNM's own experience implementing similar types of systems.

Project No: **96828067** **Segmentation Network and ACI 2027**

Customer Benefit	The primary benefit for customers of the Segmentation Network and ACI project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Project No: 96828067 Segmentation Network and ACI 2027

Primary Value Driver	Safety & Security
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828067** **Segmentation Network and ACI 2027**

General Services

Reliability & Resiliency	An important benefit for customers of the Segmentation Network and ACI project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure that can result in compromised electric delivery. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.
Safety & Security	One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources.
Technology Advancements	PNM is very aware of the promise and the significant potential threat posed by rapid improvements in artificial intelligence. PNM works closely with expert consultants to leverage AI capabilities to defend its business from these new potentially damaging threats.

Project No: 96828067 Segmentation Network and ACI 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828067** **Segmentation Network and ACI 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	455	455	455	455	455
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	9,091	9,091	9,091	9,091	9,091
370: Outside Services	-	-	7,273	7,273	7,273	7,273	7,273
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	51	148	245	351	454
610: Expenses - General	-	-	364	364	364	364	364
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	36	36	36	36	36
914: Pension and Benefits	-	-	107	107	107	107	107
915: Injuries and Damages	-	-	10	10	10	10	10
921: Stores Load	-	-	297	297	297	297	297
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	17,683	17,779	17,877	17,983	18,086

Project No: **96828067** **Segmentation Network and ACI 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	455	455	455	3,636
120: Overtime-General	-	-	-	-
350: Material Issues-Major	9,091	9,091	9,091	72,727
370: Outside Services	7,273	7,273	7,273	58,182
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	541	641	741	3,172
610: Expenses - General	364	364	364	2,909
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	36	36	36	291
914: Pension and Benefits	107	107	107	855
915: Injuries and Damages	10	10	10	79
921: Stores Load	297	297	297	2,377
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	18,173	18,273	18,373	144,228

Project No: 96828067 Segmentation Network and ACI 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	3,636	455	455	455	5,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	72,727	9,091	9,091	9,091	100,000	-	-	-
370: Outside Services	58,182	7,273	7,273	7,273	80,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	3,172	825	925	1,047	5,969	-	-	-
610: Expenses - General	2,909	364	364	364	4,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	291	36	36	36	400	-	-	-
914: Pension and Benefits	855	107	107	107	1,175	-	-	-
915: Injuries and Damages	79	10	10	10	108	-	-	-
921: Stores Load	2,377	297	297	297	3,268	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(199,921)	(199,921)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	144,228	18,457	18,557	(181,242)	(0)	-	-	-

Project No: **96828067** **Segmentation Network and ACI 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	5,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	100,000
370: Outside Services	-	-	-	-	-	-	80,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	5,969
610: Expenses - General	-	-	-	-	-	-	4,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	400
914: Pension and Benefits	-	-	-	-	-	-	1,175
915: Injuries and Damages	-	-	-	-	-	-	108
921: Stores Load	-	-	-	-	-	-	3,268
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(199,921)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96828086 Network Access Control (NAC) 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

	County %	Bernalillo	100%

Estimated Start Date 2/1/2026

Estimated Completion Date 8/31/2026

Description

The Network Access Control (NAC) 2026 project advances PNM's network segmentation and cybersecurity strategy through the implementation of Cisco Identity Services Engine (ISE) across two Local Area Network (LAN) segments. This effort represents a phased approach to the broader network segmentation initiative, allowing implementation activities to be executed in a manageable and lower-risk manner. With assistance from third-party implementation partner ANM, Cisco ISE will provide centralized device authentication, authorization, and access control capabilities, enabling PNM to better identify, validate, and manage devices connecting to the corporate network. The project strengthens network security by limiting unauthorized access, improving visibility of connected assets, and reducing the likelihood of cyber threats propagating across network environments.

Project No: 96828086 Network Access Control (NAC) 2026

Project Need Justification

As cyber threats continue to increase in sophistication and frequency, utilities must strengthen security controls that protect critical business and operational technology environments. Existing network access controls provide limited visibility into device identity and posture, creating potential exposure to unauthorized or non-compliant devices connecting to the network. Implementing Cisco ISE enhances security by enforcing policy-based access controls, improving network segmentation, and providing greater accountability for devices and users accessing corporate resources. This project supports PNM's cybersecurity objectives, helps align with industry security best practices, and reduces risk to systems that support the reliable delivery of electric service.

Project No: **96828086** **Network Access Control (NAC) 2026**

Project Alternatives

One alternative would be to continue relying on existing network security controls without implementing a dedicated network access control solution. This approach would avoid near-term capital expenditures but would leave the organization with limited capabilities for automated device authentication, access enforcement, and network visibility.
Another alternative would be to evaluate and deploy a different NAC platform; however, this would likely increase implementation complexity, introduce compatibility considerations, and require additional integration efforts within the existing Cisco-based network environment. The recommended solution leverages Cisco ISE because it integrates effectively with PNM's network infrastructure while providing a scalable and proven framework for securing network access.

Project No: 96828086 Network Access Control (NAC) 2026

Project Estimate Approach

Project cost estimates were developed using budgetary pricing and implementation guidance provided by ANM, the selected integration partner, along with Cisco product licensing information and internal engineering assessments. Estimated costs were further informed by PNM's experience executing network infrastructure and cybersecurity initiatives of similar scope and complexity. Labor, software, configuration services, and associated implementation activities were evaluated to establish a reasonable planning estimate for the phased deployment of Cisco ISE across the identified network segments. This methodology provides a practical forecast of expected project expenditures while accounting for known technical and deployment requirements.

Project No: **96828086** **Network Access Control (NAC) 2026**

Customer Benefit

Customers benefit from enhanced cybersecurity protections that help safeguard the technology systems used to support electric operations, customer communications, and business services. By strengthening network security controls and reducing the risk of unauthorized access or cybersecurity incidents, the project contributes to the continuity, reliability, and resilience of critical utility functions. Improved protection of enterprise systems helps reduce the likelihood of service disruptions and supports PNM's commitment to delivering safe and reliable electric service.

Project No: 96828086 Network Access Control (NAC) 2026

Primary Value Driver	Safety & Security
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828086** **Network Access Control (NAC) 2026**

General Services

Reliability & Resiliency

The primary benefit for customers of the Segmentation and ACI project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Safety & Security

One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources. The Segmentation and ACI project compliments and expands these efforts by helping ensure disparate networks and parts of networks do not have the ability to directly communicate with other sensitive network components.

Technology Advancements

Project No: 96828086 Network Access Control (NAC) 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	1,429	1,429	-	-	-	-	2,857
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	50,000	30,000	-	-	-	-	80,000
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	129	336	-	-	-	-	465
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	114	114	-	-	-	-	229
914: Pension and Benefits	-	312	312	-	-	-	-	624
915: Injuries and Damages	-	28	28	-	-	-	-	57
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	(84,232)	-	-	-	-	(84,232)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	52,013	(52,013)	-	-	-	-	-

Project No: **96828086** **Network Access Control (NAC) 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	2,857	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	80,000	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	465	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	229	-	-	-	-	-	-
914: Pension and Benefits	624	-	-	-	-	-	-
915: Injuries and Damages	57	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(84,232)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96828086** **Network Access Control (NAC) 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	2,857
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	80,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	465
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	229
914: Pension and Benefits	-	-	-	624
915: Injuries and Damages	-	-	-	57
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(84,232)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96828086 Network Access Control (NAC) 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	2,857	-	-	-	2,857	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	80,000	-	-	-	80,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	465	-	-	-	465	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	229	-	-	-	229	-	-	-
914: Pension and Benefits	624	-	-	-	624	-	-	-
915: Injuries and Damages	57	-	-	-	57	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(84,232)	-	-	-	(84,232)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828086** **Network Access Control (NAC) 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	2,857
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	80,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	465
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	229
914: Pension and Benefits	-	-	-	-	-	-	624
915: Injuries and Damages	-	-	-	-	-	-	57
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(84,232)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96828145** **Corporate Applications Prog 2025**

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2025

Estimated Completion Date 7/31/2026

Description

The Corporate Applications Program is a collection of related projects associated with PNMR Shared Services Co applications. Those include the various PeopleSoft systems, PowerPlan, Hyperion Strategic Finance, and a number of others managed by the Corporate Applications team. The annual program supports minor upgrades and customizations of these systems. Examples of past projects under this program include smaller module implementations to PNMR's main PeopleSoft systems, HCM (Human Capital Management), Financials, and ELM (Enterprise Learning Management). This project covers upgrades and customizations performed in 2025.

Project No: **96828145** **Corporate Applications Prog 2025**

Project Need Justification

The Corporate Applications Program exists to ensure smaller systems under the broad umbrella of Corporate systems have funding to undertake improvements for functionality and security. Projects implemented under the Corporate Applications Program go through a rigorous justification and benefit analysis to ensure solutions are necessary, cost effective, and efficient. Projects implemented under this program are each evaluated after completion to ensure stipulated goals for the project have been met.

Project No: **96828145** **Corporate Applications Prog 2025**

Project Alternatives

Projects implemented under the Corporate Applications Program go through a rigorous justification and benefit analysis to ensure solutions are the most cost-effective and appropriate for the needs identified as driving the efforts. Failure to undertake improvements under this program will lead to loss of opportunity to further streamline and improve key corporate management systems.

Project No: **96828145** **Corporate Applications Prog 2025**

Project Estimate Approach	Projects implemented under the Corporate Applications Program have costs estimated based on a combination of requests for proposals from qualified vendors and internal costs based on past experience with similar efforts.

Project No: **96828145** **Corporate Applications Prog 2025**

Customer Benefit

The Corporate Applications Program helps ensure customers have reliable, efficient electric service by funding needed improvements and updates to the enterprise systems that help PNMR manage its business as efficiently as possible. Projects implemented under the Corporate Applications Program each have a documented set of expected customer benefits that are reviewed after project completion to ensure those benefits have been realized.

Project No: **96828145 Corporate Applications Prog 2025**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96828145** **Corporate Applications Prog 2025**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Projects implemented under the Corporate Applications Program primarily focus on increasing work efficiency while mitigating risks associated with gaps in monitoring and security of critical systems. Those objectives require the company to continually evaluate and, where required and responsibly sustained, implement the best available new technologies.

Project No: 96828145 Corporate Applications Prog 2025

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	131,562	-	-	-	-	-	-	131,562
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	259,878	-	-	-	-	-	-	259,878
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	21,645	-	-	-	-	-	-	21,645
610: Expenses - General	439,105	-	-	-	-	-	-	439,105
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	10,168	-	-	-	-	-	-	10,168
914: Pension and Benefits	27,619	-	-	-	-	-	-	27,619
915: Injuries and Damages	2,744	-	-	-	-	-	-	2,744
921: Stores Load	1,162	-	-	-	-	-	-	1,162
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(671,089)	(217,029)	-	-	-	-	-	(888,118)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	222,793	(217,029)	-	-	-	-	-	5,764

Project No: **96828145** **Corporate Applications Prog 2025**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	131,562	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	259,878	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	21,645	-	-	-	-	-	-
610: Expenses - General	439,105	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	10,168	-	-	-	-	-	-
914: Pension and Benefits	27,619	-	-	-	-	-	-
915: Injuries and Damages	2,744	-	-	-	-	-	-
921: Stores Load	1,162	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(888,118)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	5,764	-	-	-	-	-	-

Project No: **96828145** **Corporate Applications Prog 2025**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	131,562
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	259,878
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	21,645
610: Expenses - General	-	-	-	439,105
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	10,168
914: Pension and Benefits	-	-	-	27,619
915: Injuries and Damages	-	-	-	2,744
921: Stores Load	-	-	-	1,162
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(888,118)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	5,764

Project No: 96828145 Corporate Applications Prog 2025

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	131,562	-	-	-	131,562	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	259,878	-	-	-	259,878	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	21,645	-	-	-	21,645	-	-	-
610: Expenses - General	439,105	-	-	-	439,105	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	10,168	-	-	-	10,168	-	-	-
914: Pension and Benefits	27,619	-	-	-	27,619	-	-	-
915: Injuries and Damages	2,744	-	-	-	2,744	-	-	-
921: Stores Load	1,162	-	-	-	1,162	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(888,118)	-	-	-	(888,118)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	5,764	-	-	-	5,764	-	-	-

Project No: **96828145** **Corporate Applications Prog 2025**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	131,562
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	259,878
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	21,645
610: Expenses - General	-	-	-	-	-	-	439,105
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	10,168
914: Pension and Benefits	-	-	-	-	-	-	27,619
915: Injuries and Damages	-	-	-	-	-	-	2,744
921: Stores Load	-	-	-	-	-	-	1,162
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(888,118)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	5,764

Project No: 96828157 AI Detect and Correl Ph 1 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The AI Detect and Correlation Ph 1 project introduces foundational artificial intelligence-driven models to enhance event correlation and reduce alert noise. As PNM has added increasing layers of IT security defenses, the prevalence of false alarms has led to risks associated with "crying wolf" too often. PNM expects to implement newly available state of the art tools in our data center environment that will allow responsible staff to assess and accurately focus on truly anomalous or potentially dangerous activities flagged by other alerting systems. This is expected to separate the wheat from the chaff, allowing PNM to give full attention to remediating real threats.

Project No: 96828157 AI Detect and Correl Ph 1 2027

Project Need Justification

As PNM has added layers of IT security protections, the level of alarms sent and received by staff responsible for monitoring our systems has escalated to a point where human nature and efficient staffing levels could lead to a number of negative, unacceptable consequences, including staff fatigue and burnout, ignoring alarms, and failure to recognize true significant threats while focusing on false alarms. That in itself poses a new IT security vulnerability that PNM must mitigate with the latest detection and filtering capabilities.

Project No: **96828157** **AI Detect and Correl Ph 1 2027**

Project Alternatives

Failure to address the very real issues associated with alarm management and response greatly increases PNM's likelihood of missing salient attacks while focusing on inconsequential alarms. That could lead to intrusions and damage by nefarious actors who bombard PNM's networks and data centers with thousands of automated, AI-enhanced attacks every day. The result would be unacceptable to customers and the company.

Project No: 96828157 AI Detect and Correl Ph 1 2027

Project Estimate Approach	Estimates for the AI Detect and Correlation Ph 1 project derive from industry expertise sought from leading consultants such as Ernst and Young, combined with PNM's own experience implementing similar types of systems.

Project No: **96828157** **AI Detect and Correl Ph 1 2027**

Customer Benefit	The primary benefit for customers of the AI Detect and Correlation Ph. 1 project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Project No: 96828157 AI Detect and Correl Ph 1 2027

Primary Value Driver	Safety & Security
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828157** **AI Detect and Correl Ph 1 2027**

General Services

Reliability & Resiliency

A principal benefit for customers of the AI Detection and Correlation Ph. 1 project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Safety & Security

One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources. AI presents special new, serious challenges to cybersecurity, requiring tools such as this to help mitigate these threats.

Technology Advancements

PNM is very aware of the promise and the significant potential threat posed by rapid improvements in artificial intelligence. PNM works closely with expert consultants to leverage AI capabilities to defend its business from these new potentially damaging threats.

Project No: 96828157 AI Detect and Correl Ph 1 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828157** **AI Detect and Correl Ph 1 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	8,182	8,182	8,182	8,182	8,182
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	9,091	9,091	9,091	9,091	9,091
370: Outside Services	-	-	18,182	18,182	18,182	18,182	18,182
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	117	337	560	804	1,038
610: Expenses - General	-	-	1,818	1,818	1,818	1,818	1,818
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	655	655	655	655	655
914: Pension and Benefits	-	-	1,924	1,924	1,924	1,924	1,924
915: Injuries and Damages	-	-	178	178	178	178	178
921: Stores Load	-	-	297	297	297	297	297
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	40,442	40,663	40,885	41,129	41,364

Project No: **96828157** **AI Detect and Correl Ph 1 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	8,182	8,182	8,182	65,455
120: Overtime-General	-	-	-	-
350: Material Issues-Major	9,091	9,091	9,091	72,727
370: Outside Services	18,182	18,182	18,182	145,455
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	1,237	1,465	1,696	7,254
610: Expenses - General	1,818	1,818	1,818	14,545
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	655	655	655	5,236
914: Pension and Benefits	1,924	1,924	1,924	15,388
915: Injuries and Damages	178	178	178	1,420
921: Stores Load	297	297	297	2,377
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	41,563	41,790	42,021	329,858

Project No: 96828157 AI Detect and Correl Ph 1 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	65,455	8,182	8,182	8,182	90,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	72,727	9,091	9,091	9,091	100,000	-	-	-
370: Outside Services	145,455	18,182	18,182	18,182	200,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	7,254	1,887	2,115	2,394	13,651	-	-	-
610: Expenses - General	14,545	1,818	1,818	1,818	20,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	5,236	655	655	655	7,200	-	-	-
914: Pension and Benefits	15,388	1,924	1,924	1,924	21,159	-	-	-
915: Injuries and Damages	1,420	178	178	178	1,953	-	-	-
921: Stores Load	2,377	297	297	297	3,268	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(457,231)	(457,231)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	329,858	42,213	42,441	(414,511)	(0)	-	-	-

Project No: 96828157 AI Detect and Correl Ph 1 2027

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	90,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	100,000
370: Outside Services	-	-	-	-	-	-	200,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	13,651
610: Expenses - General	-	-	-	-	-	-	20,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	7,200
914: Pension and Benefits	-	-	-	-	-	-	21,159
915: Injuries and Damages	-	-	-	-	-	-	1,953
921: Stores Load	-	-	-	-	-	-	3,268
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(457,231)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96828167 Segmentation NSX 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Segmentation NSX project is a new cyber defense effort that helps ensure key parts of PNM's virtual networks are appropriately isolated from one another. Segmentation of these network components through VMware NSX is the use of software-defined networking and distributed security policies to separate workloads, applications, users, and data flows across virtualized and cloud-connected environments. NSX segmentation strengthens data center security by enforcing workload-level access controls across virtualized and hybrid environments. By applying distributed firewall policies, security groups, tags, and microsegmentation rules directly to workloads, NSX reduces the attack surface, limits lateral movement, and ensures that only approved systems, users, and applications can communicate. Implementation of these new capabilities is one of PNM's actions to help ensure exploits against the company's critical computing capabilities will have limited possibilities of causing catastrophic damage.

Project No: 96828167 Segmentation NSX 2027

Project Need Justification	PNM's technology environment increasingly relies on virtualized infrastructure, cloud-connected systems, and interconnected applications that support both business and operational functions. These environments include critical cyber assets, virtual servers, business applications, databases, network services, user access systems, and the communications pathways that connect them. Without appropriate segmentation controls, a compromise within one workload or application could potentially spread to other interconnected systems through lateral movement. The Segmentation NSX project is needed to isolate critical systems, applications, users, data flows, and workloads through software-defined security controls that limit communication to only authorized connections. By implementing workload-level segmentation across virtualized and hybrid environments, PNM reduces cyber exposure, strengthens security protections for critical infrastructure, and improves its ability to contain potential cybersecurity incidents before they affect broader operations.

Project No: **96828167** **Segmentation NSX 2027**

Project Alternatives

Alternative 1) Continue relying on existing network segmentation and traditional perimeter security controls without implementing workload-level segmentation. This alternative was considered but not selected because traditional network controls provide limited visibility and protection within highly virtualized environments. As the number of interconnected applications, servers, and cloud-connected systems continues to grow, this approach would increase the risk of unauthorized lateral movement and reduce the organization's ability to isolate potential cybersecurity events.

Alternative 2) Implement VMware NSX-based segmentation and microsegmentation capabilities across virtualized environments. This alternative was selected because it provides centralized security policy management, workload-level access controls, automated enforcement of segmentation policies, and enhanced visibility into application communications. The solution allows PNM to better protect critical cyber assets, reduce the attack surface, and strengthen cybersecurity defenses while leveraging its existing VMware infrastructure investments in a scalable and efficient manner.

Project No: **96828167** **Segmentation NSX 2027**

Project Estimate Approach	PNM has used a combination of vendor quotes and its own internal experience with past, similar efforts to arrive at the current estimated cost.

Project No: **96828167** **Segmentation NSX 2027**

Customer Benefit	The primary benefit for customers of the Segmentation NSX project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Project No: **96828167** **Segmentation NSX 2027**

Primary Value Driver	Safety & Security
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828167** **Segmentation NSX 2027**

General Services

Reliability & Resiliency	A principal benefit for customers of the Segmentation NSX project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.
Safety & Security	One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources. AI presents special new, serious challenges to cybersecurity, requiring tools such as this to help mitigate these threats.
Technology Advancements	PNM is very aware of the promise and the significant potential threat posed by rapid improvements in artificial intelligence. PNM works closely with expert consultants to leverage AI capabilities to defend its business from these new potentially damaging threats.

Project No: 96828167 Segmentation NSX 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828167** **Segmentation NSX 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	7,727	7,727	7,727	7,727	7,727
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	18,182	18,182	18,182	18,182	18,182
370: Outside Services	-	-	15,000	15,000	15,000	15,000	15,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	128	369	612	879	1,136
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	618	618	618	618	618
914: Pension and Benefits	-	-	1,817	1,817	1,817	1,817	1,817
915: Injuries and Damages	-	-	168	168	168	168	168
921: Stores Load	-	-	594	594	594	594	594
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	44,234	44,475	44,718	44,985	45,241

Project No: **96828167** **Segmentation NSX 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	7,727	7,727	7,727	61,818
120: Overtime-General	-	-	-	-
350: Material Issues-Major	18,182	18,182	18,182	145,455
370: Outside Services	15,000	15,000	15,000	120,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	1,353	1,602	1,855	7,934
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	618	618	618	4,945
914: Pension and Benefits	1,817	1,817	1,817	14,533
915: Injuries and Damages	168	168	168	1,341
921: Stores Load	594	594	594	4,753
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	45,459	45,708	45,960	360,781

Project No: 96828167 Segmentation NSX 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	61,818	7,727	7,727	7,727	85,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	145,455	18,182	18,182	18,182	200,000	-	-	-
370: Outside Services	120,000	15,000	15,000	15,000	165,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	7,934	2,064	2,314	2,619	14,931	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,945	618	618	618	6,800	-	-	-
914: Pension and Benefits	14,533	1,817	1,817	1,817	19,983	-	-	-
915: Injuries and Damages	1,341	168	168	168	1,844	-	-	-
921: Stores Load	4,753	594	594	594	6,536	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(500,095)	(500,095)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	360,781	46,170	46,419	(453,370)	-	-	-	-

Project No: **96828167** **Segmentation NSX 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	85,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	200,000
370: Outside Services	-	-	-	-	-	-	165,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	14,931
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,800
914: Pension and Benefits	-	-	-	-	-	-	19,983
915: Injuries and Damages	-	-	-	-	-	-	1,844
921: Stores Load	-	-	-	-	-	-	6,536
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(500,095)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828228 CISCO SmartNet (HW) ELA 2028

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 7/1/2028

Estimated Completion Date 8/31/2028

Description

The Cisco SmartNet (HW) Enterprise License Agreement (ELA) 2028 project renews support and maintenance coverage for Cisco networking, security, and telecommunications hardware used throughout PNM's technology environment. Cisco SmartNet provides hardware maintenance, advanced replacement services, software updates, technical support, lifecycle management assistance, and proactive monitoring capabilities for critical network infrastructure components, including routers, firewalls, switches, and telecommunications equipment. The agreement helps ensure that these systems remain operational, supported, and capable of meeting the reliability, security, and performance requirements necessary to support business and utility operations.

Project No: 96828228 CISCO SmartNet (HW) ELA 2028

Project Need Justification

PNM depends on Cisco infrastructure to provide communications, network connectivity, cybersecurity services, and access to critical business applications. These systems are essential to daily operations and require manufacturer support to maintain reliability, performance, and security. Cisco SmartNet coverage provides access to software updates, hardware replacement services, technical assistance, and vendor expertise necessary to address equipment failures and maintain supported operating environments. Renewal of the agreement is necessary to reduce operational risk, maintain infrastructure supportability, and ensure continued availability of critical network and communications services.

Project No: **96828228 CISCO SmartNet (HW) ELA 2028**

Project Alternatives

Alternative 1) Allow Cisco SmartNet coverage to expire and continue operating hardware without vendor support. This approach would eliminate access to expedited hardware replacement services, software updates, security patches, and technical support resources. As equipment ages, operational and cybersecurity risks would increase significantly.

Alternative 2) Replace Cisco infrastructure with equipment from an alternative vendor. While other networking providers offer comparable technologies, replacing the existing Cisco environment would require substantial capital investment, architecture redesign, implementation effort, retraining, and operational transition activities. This alternative would introduce significant cost and implementation risk.

Project No: 96828228 CISCO SmartNet (HW) ELA 2028

Project Estimate Approach	Project cost estimates were prepared using vendor-provided renewal pricing, inventory assessments of covered hardware assets, anticipated maintenance requirements, and historical SmartNet expenditures. The estimate reflects expected support contract costs, hardware maintenance coverage, software update entitlements, and technical support services for Cisco infrastructure deployed across the enterprise. Cost projections were reviewed against prior renewal agreements, current asset inventories, and expected infrastructure support needs to develop a reasonable forecast of program expenditures during the agreement period.

Project No: **96828228** **CISCO SmartNet (HW) ELA 2028**

Customer Benefit	Customers benefit from PNM's ability to maintain reliable communications and networking systems that support utility operations, business continuity, and service delivery. Cisco SmartNet helps ensure that critical infrastructure components remain operational through access to manufacturer support, software maintenance, and rapid hardware replacement services when required. By reducing the likelihood and duration of network-related service disruptions, the project helps support dependable business operations and the continued delivery of safe and reliable electric service.

Project No: **96828228 CISCO SmartNet (HW) ELA 2028**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96828228** **CISCO SmartNet (HW) ELA 2028**

General Services

Reliability & Resiliency

Reliable network infrastructure is essential to the operation of modern utility systems and business processes. The Cisco SmartNet agreement supports reliability and resiliency by ensuring critical communications and network devices remain properly maintained, supported, and updated throughout their operational lifecycle. Access to vendor expertise, software maintenance, and replacement services helps minimize downtime, reduce infrastructure risk, and support rapid restoration of services following equipment failures. These capabilities strengthen the technology foundation that supports utility operations and organizational continuity.

Safety & Security

Technology Advancements

Project No: 96828228 CISCO SmartNet (HW) ELA 2028

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828228** **CISCO SmartNet (HW) ELA 2028**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96828228** **CISCO SmartNet (HW) ELA 2028**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96828228 CISCO SmartNet (HW) ELA 2028

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828228** **CISCO SmartNet (HW) ELA 2028**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	790,000	1,400,000	-	2,190,000
370: Outside Services	-	-	-	48,000	48,000	-	96,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	2,253	8,052	-	10,305
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	25,817	45,752	-	71,569
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	(2,367,874)	-	(2,367,874)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	866,070	(866,070)	-	-

Project No: 96828247 Disaster Recovery Refresh (HW) 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	25%
	Denton (TX)	75%

Estimated Start Date 7/1/2027

Estimated Completion Date 12/31/2027

Description

The Disaster Recovery Refresh project will replace critical back-up systems and components (hardware, principally) at end of life at PNM's primary back-up facility in Lewisville, TX. This equipment is approaching five years old and must be replaced with current, warrantable equivalents. Although PNM has not experienced an actual disaster scenario, it replicates primary production capabilities and data in near real time for its most critical systems and conducts regular drills and exercises to ensure the equipment is functioning as expected and staff know what steps to take to bring the back-up systems on-line in the event of a real emergency. Thus, the disaster recovery equipment has been in continuous use throughout its life and must be replaced. The project also seeks to make advancements in automated failover capabilities.

Project No: 96828247 Disaster Recovery Refresh (HW) 2027

Project Need Justification

Equipment used at PNM's remote disaster recovery data center has a limited useful life, which, having been reached, must be replaced. Equipment refresh ensures back-up equipment will work seamlessly with production equipment in the event of a failover or recovery operation and will operate with no additional failures for as long as needed to restore normal operations.

Project No: 96828247 Disaster Recovery Refresh (HW) 2027

Project Alternatives

Alternative 1) Continue operating existing disaster recovery hardware beyond its recommended lifecycle and replace components only as failures occur. This alternative was considered but not selected because aging infrastructure increases the risk of equipment failures, reduced vendor support, diminished reliability, and potential degradation of disaster recovery capabilities during an actual emergency event. Extending the life of unsupported hardware could also jeopardize the organization's ability to meet recovery objectives and maintain business continuity.

Alternative 2) Replace end-of-life disaster recovery infrastructure and align the backup environment with current production technologies. This alternative was selected because it maintains vendor-supported hardware, improves system reliability, supports automated failover enhancements, and ensures disaster recovery capabilities remain capable of supporting critical business and operational systems. Maintaining technology consistency between production and disaster recovery environments also simplifies testing, recovery procedures, and ongoing support activities.

Project No: 96828247 Disaster Recovery Refresh (HW) 2027

Project Estimate Approach	Project cost estimates were developed using vendor budgetary quotations, historical procurement costs from previous disaster recovery and infrastructure refresh initiatives, and internal assessments of capacity, performance, and recovery requirements. The estimate incorporates anticipated hardware acquisition, implementation services, testing activities, internal labor, and project management costs associated with replacing end-of-life disaster recovery equipment. Cost assumptions were validated using prior data center hardware refresh projects, historical disaster recovery infrastructure deployments, and current market pricing for server, storage, networking, and failover technologies. This approach provides a reasonable estimate of the resources required to maintain a reliable and supportable disaster recovery environment.

Project No: **96828247** **Disaster Recovery Refresh (HW) 2027**

Customer Benefit	PNM customers demand reliability which, as amply demonstrated around the world every year, can be disrupted significantly by a variety of possible unexpected events. PNM's disaster recovery capabilities are an integral component that provides the best, most cost-effective reliability available.

Project No: 96828247 Disaster Recovery Refresh (HW) 2027

Primary Value Driver	Reliability & Resiliency
Compliance	
Customer Delivery	Although true disaster scenarios are rare, PNM customers expect the company to anticipate the need for and to mitigate any disruption or inconvenience that might have on their service. Disaster preparation can be expensive; however, failure to invest in efficient back-up failover capabilities is not acceptable to PNM customers.
Energy Transition	

Project No: 96828247 Disaster Recovery Refresh (HW) 2027

General Services

The Disaster Recovery Refresh project will assess current safely located back-up computing and communication capabilities to ensure the facility that houses this equipment has reliable power and telecommunications resources in the event it is needed to serve as the primary site for systems necessary to ensure customers are not put in danger or inconvenienced in the event of an unexpected disaster.

Reliability & Resiliency

Although natural disasters are, fortunately, very rare in New Mexico, they are possible and if they were to occur, PNM customers would demand that power be made available to homes and businesses as quickly as possible. One of the principal ways PNM ensures this will be the case is by fully investing in disaster recovery equipment, training, and capabilities. Periodic refresh of the equipment that supports this capability is required to ensure it is supportable by vendors and manufacturers.

Safety & Security

One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in appropriate systems redundancy and resilience against the potential disruptive threat posed by major disruptive events, whether naturally occurring or human-caused.

Technology Advancements

PNM recognizes risks associated with inefficient, manual restoration of critical computing capabilities that can delay the company's response to major events. As a result, it continually evaluates the latest automated failover and restoration systems and processes and incorporates the most successful and impactful in its disaster recover operations.

Project No: 96828247 Disaster Recovery Refresh (HW) 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828247** **Disaster Recovery Refresh (HW) 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96828247** **Disaster Recovery Refresh (HW) 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	2,500	2,500	2,500	7,500
120: Overtime-General	-	-	-	-
350: Material Issues-Major	266,667	266,667	266,667	800,000
370: Outside Services	41,667	41,667	41,667	125,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	882	2,649	4,429	7,961
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	200	200	200	600
914: Pension and Benefits	588	588	588	1,763
915: Injuries and Damages	54	54	54	163
921: Stores Load	8,715	8,715	8,715	26,144
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	321,272	323,039	324,819	969,131

Project No: 96828247 Disaster Recovery Refresh (HW) 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	7,500	2,500	2,500	2,500	15,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	800,000	266,667	266,667	266,667	1,600,000	-	-	-
370: Outside Services	125,000	41,667	41,667	41,667	250,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	7,961	6,090	7,851	9,924	31,826	-	-	-
610: Expenses - General	-	-	-	35,000	35,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	600	200	200	200	1,200	-	-	-
914: Pension and Benefits	1,763	588	588	588	3,527	-	-	-
915: Injuries and Damages	163	54	54	54	326	-	-	-
921: Stores Load	26,144	8,715	8,715	8,715	52,288	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,989,166)	(1,989,166)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	969,131	326,480	328,241	(1,623,852)	(0)	-	-	-

Project No: **96828247** **Disaster Recovery Refresh (HW) 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	15,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	1,600,000
370: Outside Services	-	-	-	-	-	-	250,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	31,826
610: Expenses - General	-	-	-	-	-	-	35,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	1,200
914: Pension and Benefits	-	-	-	-	-	-	3,527
915: Injuries and Damages	-	-	-	-	-	-	326
921: Stores Load	-	-	-	-	-	-	52,288
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,989,166)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96828257 Agentic AI SOC 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2027

Estimated Completion Date 12/31/2027

Description

The Agentic AI Security Operations Center (SOC) project will deploy AI-assisted workflows for alert triage and investigation. As bad actors across the globe increasingly take advantage of artificial intelligence to not only increase the effectiveness of exploits against PNM but also improve the stealthiness of those attacks, utilities like PNM are at increasing risk from failing to quickly assess and act against emerging AI threats. Agentic AI SOC software uses semi-autonomous artificial intelligence agents to handle threat detection, investigation, and response tasks. Unlike traditional security tools that only summarize data or follow rigid, hard-coded rules, this software can reason, plan multi-step workflows, use external tools, and adapt its actions dynamically like a human analyst but exponentially faster and while handling multiple simultaneous threats.

Project No: **96828257** **Agentic AI SOC 2027**

Project Need Justification

With today's rapidly increasing reliance on artificial intelligence, many benefits accrue; but risks also increase including those with potentially severe consequences such as loss of capabilities. The Agentic AI SOC Phase 1 project expects to install cutting edge capabilities to help PNM assess and manage risks presented to the company's systems and equipment many thousands of times daily. Those threats arrive so frequently and quickly and incorporate potential novel nefarious AI-assisted exploits that human analysts increasingly cannot be expected to intercept, evaluate, and mitigate quickly enough. Failure to implement these protective systems and measures creates an unacceptable vulnerability to increasing and increasingly sophisticated threats.

Project No: **96828257** **Agentic AI SOC 2027**

Project Alternatives

Alternative 1) Continue operating the Security Operations Center using existing security monitoring tools and primarily human-driven investigation processes. This alternative was considered but not selected because the volume and complexity of modern cybersecurity alerts continues to increase, making it more difficult for analysts to rapidly identify, prioritize, and investigate potential threats. Relying solely on traditional workflows may increase response times and reduce the organization's ability to efficiently manage multiple simultaneous security incidents.

Alternative 2) Implement AI-assisted Security Operations Center capabilities that automate portions of threat detection, alert triage, investigation, and response activities. This alternative was selected because it improves the efficiency and effectiveness of security operations by helping analysts process larger volumes of security data, perform investigations more quickly, and prioritize threats based on risk. The selected approach supports faster response to cybersecurity events, improves operational scalability, and enhances the organization's ability to defend critical business and operational systems against increasingly sophisticated threats.

Project No: **96828257** **Agentic AI SOC 2027**

Project Estimate Approach	Estimates for the Agentic AI SOC Ph. 1 project derive from industry expertise sought from leading consultants such as Ernst and Young, combined with PNM's own experience implementing similar types of systems.

Project No: **96828257** **Agentic AI SOC 2027**

Customer Benefit	The primary benefits for customers of the Agentic AI SOC Ph. 1 project is to help ensure safety and security as well as reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Project No: 96828257 Agentic AI SOC 2027

Primary Value Driver	Safety & Security
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: 96828257 Agentic AI SOC 2027

General Services

Reliability & Resiliency	A principal benefit for customers of the Agentic AI SOC Ph. 1 project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.
Safety & Security	One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources. AI presents special new, serious challenges to cybersecurity, requiring tools such as this to help mitigate these threats.
Technology Advancements	PNM is very aware of the promise and the significant potential threat posed by rapid improvements in artificial intelligence. PNM works closely with expert consultants to leverage AI capabilities to defend its business from these new potentially damaging threats.

Project No: 96828257 Agentic AI SOC 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 96828257 Agentic AI SOC 2027

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	6,500	6,500	6,500	6,500
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	10,000	10,000	10,000	10,000
370: Outside Services	-	-	-	10,000	10,000	10,000	10,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	81	242	413	581
610: Expenses - General	-	-	-	100	100	100	100
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	520	520	520	520
914: Pension and Benefits	-	-	-	1,528	1,528	1,528	1,528
915: Injuries and Damages	-	-	-	141	141	141	141
921: Stores Load	-	-	-	327	327	327	327
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	29,197	29,358	29,529	29,697

Project No: **96828257** **Agentic AI SOC 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	6,500	6,500	6,500	45,500
120: Overtime-General	-	-	-	-
350: Material Issues-Major	10,000	10,000	10,000	70,000
370: Outside Services	10,000	10,000	10,000	70,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	729	892	1,058	3,997
610: Expenses - General	100	100	100	700
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	520	520	520	3,640
914: Pension and Benefits	1,528	1,528	1,528	10,697
915: Injuries and Damages	141	141	141	987
921: Stores Load	327	327	327	2,288
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	29,845	30,008	30,174	207,809

Project No: 96828257 Agentic AI SOC 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	45,500	6,500	6,500	6,500	65,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	70,000	10,000	10,000	10,000	100,000	-	-	-
370: Outside Services	70,000	10,000	10,000	10,000	100,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	3,997	1,199	1,363	1,560	8,119	-	-	-
610: Expenses - General	700	100	100	100	1,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	3,640	520	520	520	5,200	-	-	-
914: Pension and Benefits	10,697	1,528	1,528	1,528	15,282	-	-	-
915: Injuries and Damages	987	141	141	141	1,411	-	-	-
921: Stores Load	2,288	327	327	327	3,268	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(299,279)	(299,279)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	207,809	30,315	30,479	(268,603)	-	-	-	-

Project No: **96828257** **Agentic AI SOC 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	65,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	100,000
370: Outside Services	-	-	-	-	-	-	100,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	8,119
610: Expenses - General	-	-	-	-	-	-	1,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	5,200
914: Pension and Benefits	-	-	-	-	-	-	15,282
915: Injuries and Damages	-	-	-	-	-	-	1,411
921: Stores Load	-	-	-	-	-	-	3,268
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(299,279)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828267 VMware vRealize ELA 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 10/1/2027

Estimated Completion Date 12/31/2027

Description

The VMware vRealize Enterprise License Agreement (ELA) renews the capitalizable three-year enterprise license agreement for a critical infrastructure management platform used throughout PNM's virtualized computing environment. VMware vRealize is a suite of data center management tools that provide visibility into infrastructure performance, capacity utilization, application dependencies, and network communications. Components such as VMware vRealize Network Insight (vRNI) help identify relationships between applications, virtual machines, and network services, enabling more effective planning and management of enterprise infrastructure. The platform supports infrastructure monitoring, capacity management, automated service delivery, and visualization of application communication paths, helping PNM efficiently manage and optimize its virtual data center environments.

Project No: 96828267 VMware vRealize ELA 2027

Project Need Justification

The current VMware vRealize Enterprise License Agreement expires in 2027 and must be renewed to maintain vendor support, software updates, security enhancements, and continued access to the management capabilities used to support PNM's virtual infrastructure environment. PNM relies extensively on VMware technologies to host critical business applications, databases, and infrastructure services. The vRealize platform provides visibility into system performance, resource utilization, application dependencies, and infrastructure capacity needed to efficiently operate these environments. Failure to renew the license agreement would reduce access to vendor support and future software enhancements while limiting the organization's ability to effectively monitor, manage, and plan for future infrastructure growth. Continued licensing of the platform helps ensure virtual infrastructure remains reliable, secure, and supportable throughout its lifecycle.

Project No: **96828267** **VMware vRealize ELA 2027**

Project Alternatives

Alternative 1) Allow the VMware vRealize Enterprise License Agreement to expire and continue operating the environment without vendor support and software updates. This alternative was evaluated but not selected because it would increase operational and cybersecurity risks while limiting access to future product enhancements, technical support, and compatibility updates necessary to support a growing virtual infrastructure environment.

Alternative 2) Replace VMware vRealize with an alternative infrastructure management platform. While alternative products exist in the marketplace, this option would require substantial migration effort, new integrations, additional training, and operational transition activities. Because PNM's infrastructure environment is heavily dependent on VMware technologies, VMware's management suite provides the most seamless integration with existing systems and operational processes. The costs and risks associated with migrating to another platform were determined to outweigh any potential benefits.

Alternative 3) Renew the VMware vRealize Enterprise License Agreement. This alternative was selected because it maintains continuity of operations, preserves existing technology investments, ensures continued vendor support, and provides the most efficient and cost-effective approach for managing PNM's virtual infrastructure environments.

Project No: **96828267** **VMware vRealize ELA 2027**

Project Estimate Approach	PNM has estimated costs based on negotiated vendor pricing for the components the company needs with internal overhead additions based on experience with similar projects.

Project No: **96828267** **VMware vRealize ELA 2027**

Customer Benefit	PNM customers benefit from acquisition and use of vRealize through maximized infrastructure efficiency as well as improved reliability of critical systems as a result of advanced insight into incipient issues that can then be mitigated in a timely manner.

Project No: **96828267** **VMware vRealize ELA 2027**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96828267** **VMware vRealize ELA 2027**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

PNM's ability to provide power and services reliably and safely is extremely dependent on its ability to manage technology efficiently and cost-effectively. PNM is vigilant about ensuring its technology operations run at the highest possible level by continuously working with peers and vendors to identify and, where appropriate, implement the latest, most effective tools.

Project No: 96828267 VMware vRealize ELA 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828267** **VMware vRealize ELA 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96828267** **VMware vRealize ELA 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96828267 VMware vRealize ELA 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	633,333	633,333	633,333	1,900,000	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	1,765	5,306	9,055	16,126	-	-	-
610: Expenses - General	-	667	667	667	2,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	20,697	20,697	20,697	62,092	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,980,218)	(1,980,218)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	656,463	660,003	(1,316,466)	-	-	-	-

Project No: 96828267 VMware vRealize ELA 2027

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	1,900,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	16,126
610: Expenses - General	-	-	-	-	-	-	2,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	62,092
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,980,218)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828286 Security Mitigation Program 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The Security Mitigation Program implements a wide range of physical enhancements to PNM properties based on recommendations of leading experts. Those consultants have identified a suite of improvements reasonable due diligence demands to counter increasing threats to PNM people and property. Examples of improvements to be implemented under this program include significant investment in automated video surveillance and alarms, more secure entrances to properties, and improvements to elevator safety and access controls. Security improvements in the current program are primarily focused on key facilities located in Albuquerque.

Project No: **96828286** **Security Mitigation Program 2026**

Project Need Justification

PNM engaged experienced physical security consultants to assess key facilities and identify vulnerabilities related to access control, surveillance coverage, visitor management, perimeter protection, and employee safety. The assessment identified areas where existing physical security controls did not fully align with current industry best practices and where improvements could reduce the risk of unauthorized access, vandalism, theft, workplace violence, and other security threats. Recommendations included enhancements to video surveillance systems, alarm monitoring capabilities, building access controls, elevator security, and facility entry points. Failure to address these identified deficiencies would increase the potential for security incidents affecting personnel, facilities, and critical operational assets that support the reliable delivery of electric service. The Security Mitigation Program was established to implement prioritized recommendations that strengthen physical security while addressing the most significant risks first.

Project No: **96828286** **Security Mitigation Program 2026**

Project Alternatives

Alternative 1) Implement all consultant recommendations simultaneously. This alternative was considered but not selected because it would require a substantially larger capital investment in a single year and would create challenges associated with coordinating multiple construction and security improvement efforts concurrently. While all recommendations were determined to provide value, implementing them all at once was not considered the most cost-effective approach.

Alternative 2) Defer or take no action on the consultant recommendations. This alternative was not selected because it would leave identified security vulnerabilities unaddressed and increase risks to personnel, facilities, and critical infrastructure. Continued reliance on existing physical security controls would delay needed improvements and expose the company to avoidable operational and safety risks.

Alternative 3) Implement recommendations in a prioritized, risk-based manner through the Security Mitigation Program. This alternative was selected because it addresses the most significant security risks first while balancing operational impacts, funding constraints, and implementation schedules. The approach provides the most practical and cost-effective path for improving facility security and protecting critical assets.

Project No: **96828286** **Security Mitigation Program 2026**

Project Estimate Approach	PNM has sought bids from reliable, knowledgeable experts in physical security systems in combination with its own property management expertise to derive the current project estimate.

Project No: **96828286** **Security Mitigation Program 2026**

Customer Benefit

Customers benefit when utility facilities, personnel, and critical assets remain secure and available to support reliable operations. The Security Mitigation Program enhances physical protections at key facilities through improved video surveillance systems, alarm monitoring capabilities, access control technologies, secured building entrances, and enhanced elevator safety controls. These improvements help reduce the likelihood of unauthorized access, security incidents, and disruptions affecting critical business functions. By strengthening physical security at facilities supporting utility operations, the program helps protect infrastructure that enables PNM to provide safe, reliable, and resilient electric service to customers.

Project No: **96828286** **Security Mitigation Program 2026**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96828286** **Security Mitigation Program 2026**

General Services

Reliability & Resiliency

Safety & Security

The physical safety of all people on or near PNM facilities is of paramount importance. Many potential threats exist that must be reasonably mitigated, including the threats posed by high voltage power supplies, angry or mentally unstable people, or other threats. PNM periodically reassesses the risks and potential mitigations against threats and actively works to improve safety for all.

Technology Advancements

Technology associated with physical security has made many advancements in recent years. PNM regularly assesses the best new opportunities, including in video technology and physical access controls and seeks to implement those in the most cost-effective way possible.

Project No: 96828286 Security Mitigation Program 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	7,654	6,250	6,250	6,250	6,250	6,250	6,250	45,154
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	792,462	-	-	-	-	-	-	792,462
370: Outside Services	103,595	500,000	100,000	100,000	100,000	100,000	620,000	1,623,595
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	18,394	6,638	8,132	8,701	9,258	9,749	11,958	72,830
610: Expenses - General	166,593	-	-	-	-	-	122,004	288,597
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	612	500	500	500	500	500	500	3,612
914: Pension and Benefits	1,671	1,364	1,364	1,364	1,364	1,364	1,364	9,857
915: Injuries and Damages	152	124	124	124	124	124	124	899
921: Stores Load	3,070	-	-	-	-	-	-	3,070
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(2,821,682)	(2,821,682)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,094,203	514,877	116,371	116,940	117,496	117,988	(2,059,481)	18,394

Project No: **96828286** **Security Mitigation Program 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	45,154	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	792,462	-	-	-	-	-	-
370: Outside Services	1,623,595	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	72,830	-	-	-	-	-	-
610: Expenses - General	288,597	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	3,612	-	-	-	-	-	-
914: Pension and Benefits	9,857	-	-	-	-	-	-
915: Injuries and Damages	899	-	-	-	-	-	-
921: Stores Load	3,070	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(2,821,682)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	18,394	-	-	-	-	-	-

Project No: **96828286** **Security Mitigation Program 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	45,154
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	792,462
370: Outside Services	-	-	-	1,623,595
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	72,830
610: Expenses - General	-	-	-	288,597
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	3,612
914: Pension and Benefits	-	-	-	9,857
915: Injuries and Damages	-	-	-	899
921: Stores Load	-	-	-	3,070
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(2,821,682)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	18,394

Project No: 96828286 Security Mitigation Program 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	45,154	-	-	-	45,154	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	792,462	-	-	-	792,462	-	-	-
370: Outside Services	1,623,595	-	-	-	1,623,595	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	72,830	-	-	-	72,830	-	-	-
610: Expenses - General	288,597	-	-	-	288,597	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	3,612	-	-	-	3,612	-	-	-
914: Pension and Benefits	9,857	-	-	-	9,857	-	-	-
915: Injuries and Damages	899	-	-	-	899	-	-	-
921: Stores Load	3,070	-	-	-	3,070	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(2,821,682)	-	-	-	(2,821,682)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	18,394	-	-	-	18,394	-	-	-

Project No: **96828286** **Security Mitigation Program 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	45,154
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	792,462
370: Outside Services	-	-	-	-	-	-	1,623,595
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	72,830
610: Expenses - General	-	-	-	-	-	-	288,597
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	3,612
914: Pension and Benefits	-	-	-	-	-	-	9,857
915: Injuries and Damages	-	-	-	-	-	-	899
921: Stores Load	-	-	-	-	-	-	3,070
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(2,821,682)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	18,394

Project No: 96828346 Corporate Applications Prog 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The Corporate Applications Program is a collection of related projects associated with PNMR Shared Services Co applications. Those include the various PeopleSoft systems, PowerPlan, Utilities International Strategic Finance, and a number of others managed by the Corporate Applications team. The annual program supports minor upgrades and customizations of these systems. Examples of past projects under this program include smaller module implementations to PNMR's main PeopleSoft systems, HCM (Human Capital Management), Financials, and ELM (Enterprise Learning Management) as well as improvements to the Supplier Portal, used by vendors to send information and documents to PNM. This project covers upgrades and customizations performed in 2026.

Project No: **96828346** **Corporate Applications Prog 2026**

Project Need Justification

The applications supported under the Corporate Applications Program, including PeopleSoft, PowerPlan, Utilities International Strategic Finance, Supplier Portal, and other corporate systems, require ongoing upgrades, configuration changes, security enhancements, and vendor-supported updates to remain reliable, secure, and aligned with evolving business requirements. Many of these systems periodically receive vendor releases that address cybersecurity vulnerabilities, software defects, regulatory requirements, compatibility issues, and functionality improvements. In addition, business process changes and evolving operational needs often require application enhancements and customizations to maintain efficiency and effectiveness. Without a dedicated program to fund these activities, aging application components may become difficult to support, expose the organization to cybersecurity and operational risks, and limit the ability of business units to effectively perform critical financial, human resources, procurement, training, and administrative functions.

Project No: **96828346** **Corporate Applications Prog 2026**

Project Alternatives

Alternative 1) Defer application enhancements and upgrades until systems experience operational problems or vendor support limitations. This alternative was considered but not selected because delaying required upgrades can increase cybersecurity risks, reduce application reliability, create operational inefficiencies, and increase future implementation costs. Deferring enhancements may also limit the organization's ability to adapt to evolving business and regulatory requirements.

Alternative 2) Require each individual application enhancement or upgrade to be funded and approved as a standalone project. While feasible, this approach would increase administrative overhead, delay implementation of smaller but necessary improvements, and reduce the organization's ability to efficiently respond to application support, security, and business process needs.

Alternative 3) Continue funding improvements through the Corporate Applications Program. This approach provides a structured and efficient mechanism for implementing smaller application upgrades, security updates, customizations, and functionality improvements that maintain system supportability, improve business operations, and address evolving organizational requirements in a cost-effective manner.

Project No: **96828346** **Corporate Applications Prog 2026**

Project Estimate Approach	Projects implemented under the Corporate Applications Program have costs estimated based on a combination of requests for proposals from qualified vendors and internal costs based on past experience with similar efforts.

Project No: **96828346** **Corporate Applications Prog 2026**

Customer Benefit

The Corporate Applications Program helps ensure customers have reliable, efficient electric service by funding needed improvements and updates to the enterprise systems that help PNMR manage its business as efficiently as possible. Projects implemented under the Corporate Applications Program each have a documented set of expected customer benefits that are reviewed after project completion to ensure those benefits have been realized.

Project No: **96828346** **Corporate Applications Prog 2026**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96828346** **Corporate Applications Prog 2026**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Projects implemented under the Corporate Applications Program primarily focus on increasing work efficiency while mitigating risks associated with gaps in monitoring and security of critical systems. Those objectives require the company to continually evaluate and, where required and responsibly sustained, implement the best available new technologies.

Project No: 96828346 Corporate Applications Prog 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	99,185	30,000	30,000	30,000	-	-	-	189,185
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	160,000	2,917	2,917	2,917	-	-	168,750
370: Outside Services	73,418	50,000	50,000	100,000	20,833	-	-	294,251
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	833	833	833	833	833	833	5,000
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,595	1,663	2,522	3,118	3,540	3,759	3,991	20,188
610: Expenses - General	116	-	-	-	-	70,000	7,000	77,116
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	7,935	2,400	2,400	2,400	-	-	-	15,135
914: Pension and Benefits	21,652	6,549	6,549	6,549	-	-	-	41,299
915: Injuries and Damages	1,974	597	597	597	-	-	-	3,765
921: Stores Load	187	6,861	125	125	125	-	-	7,423
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(820,516)	(820,516)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	206,061	258,903	95,943	146,539	28,249	74,593	(808,691)	1,595

Project No: **96828346** **Corporate Applications Prog 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	189,185	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	168,750	-	-	-	-	-	-
370: Outside Services	294,251	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	5,000	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	20,188	-	-	-	-	-	-
610: Expenses - General	77,116	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	15,135	-	-	-	-	-	-
914: Pension and Benefits	41,299	-	-	-	-	-	-
915: Injuries and Damages	3,765	-	-	-	-	-	-
921: Stores Load	7,423	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(820,516)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	1,595	-	-	-	-	-	-

Project No: **96828346** **Corporate Applications Prog 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	189,185
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	168,750
370: Outside Services	-	-	-	294,251
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	5,000
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	20,188
610: Expenses - General	-	-	-	77,116
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	15,135
914: Pension and Benefits	-	-	-	41,299
915: Injuries and Damages	-	-	-	3,765
921: Stores Load	-	-	-	7,423
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(820,516)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	1,595

Project No: 96828346 Corporate Applications Prog 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	189,185	-	-	-	189,185	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	168,750	-	-	-	168,750	-	-	-
370: Outside Services	294,251	-	-	-	294,251	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	5,000	-	-	-	5,000	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	20,188	-	-	-	20,188	-	-	-
610: Expenses - General	77,116	-	-	-	77,116	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	15,135	-	-	-	15,135	-	-	-
914: Pension and Benefits	41,299	-	-	-	41,299	-	-	-
915: Injuries and Damages	3,765	-	-	-	3,765	-	-	-
921: Stores Load	7,423	-	-	-	7,423	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(820,516)	-	-	-	(820,516)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,595	-	-	-	1,595	-	-	-

Project No: **96828346** **Corporate Applications Prog 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	189,185
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	168,750
370: Outside Services	-	-	-	-	-	-	294,251
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	5,000
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	20,188
610: Expenses - General	-	-	-	-	-	-	77,116
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	15,135
914: Pension and Benefits	-	-	-	-	-	-	41,299
915: Injuries and Damages	-	-	-	-	-	-	3,765
921: Stores Load	-	-	-	-	-	-	7,423
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(820,516)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	1,595

Project No: 96828347 Corporate Applications Prog 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2027

Estimated Completion Date 12/31/2027

Description

The Corporate Applications Program is a collection of related projects associated with PNMR Shared Services Co applications. Those include the various PeopleSoft systems, PowerPlan, Utilities International Strategic Finance, and a number of others managed by the Corporate Applications team. The annual program supports minor upgrades and customizations of these systems. Examples of past projects under this program include smaller module implementations to PNMR's main PeopleSoft systems, HCM (Human Capital Management), Financials, and ELM (Enterprise Learning Management). This project covers upgrades and customizations performed in 2027.

Project No: **96828347** **Corporate Applications Prog 2027**

Project Need Justification

The applications supported under the Corporate Applications Program are essential to the daily administrative, financial, human resources, procurement, training, and planning functions of the company. Systems such as PeopleSoft HCM, Financials, Enterprise Learning Management (ELM), PowerPlan, Utilities International Strategic Finance, and related corporate applications require ongoing upgrades, vendor-supported updates, security enhancements, and business-driven modifications to remain effective and supportable. Software vendors routinely release updates that address security vulnerabilities, regulatory requirements, compatibility issues, and functionality improvements. Additionally, changing business processes and operational needs often require targeted customizations and enhancements to maintain efficiency and usability. Without periodic investments through this program, application components may become outdated, more difficult to support, less secure, and increasingly unable to meet evolving business requirements.

Project No: **96828347** **Corporate Applications Prog 2027**

Project Alternatives

Alternative 1) Postpone upgrades and enhancements until individual applications experience operational issues, vendor support limitations, or regulatory compliance concerns. This alternative was considered but not selected because delaying necessary improvements increases the likelihood of system inefficiencies, cybersecurity risks, compatibility issues, and higher future remediation costs. It may also reduce the ability of business units to effectively leverage critical corporate systems.

Alternative 2) Require each application enhancement, upgrade, or customization effort to be developed and funded as an individual project. While this approach is feasible, it would increase administrative overhead, lengthen approval timelines, and make it more difficult to efficiently implement smaller but necessary improvements to business applications.

Alternative 3) Continue funding upgrades, enhancements, and customizations through the Corporate Applications Program. This alternative was selected because it provides an efficient and flexible mechanism for maintaining application supportability, implementing security and compliance updates, responding to evolving business needs, and improving the effectiveness of corporate systems that support essential business operations.

Project No: **96828347** **Corporate Applications Prog 2027**

Project Estimate Approach

Projects implemented under the Corporate Applications Program have costs estimated based on a combination of requests for proposals from qualified vendors and internal costs based on past experience with similar efforts.

Project No: **96828347** **Corporate Applications Prog 2027**

Customer Benefit

The Corporate Applications Program helps ensure customers have reliable, efficient electric service by funding needed improvements and updates to the enterprise systems that help PNMR manage its business as efficiently as possible. Projects implemented under the Corporate Applications Program each have a documented set of expected customer benefits that are reviewed after project completion to ensure those benefits have been realized.

Project No: **96828347** **Corporate Applications Prog 2027**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96828347** **Corporate Applications Prog 2027**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Projects implemented under the Corporate Applications Program primarily focus on increasing work efficiency while mitigating risks associated with gaps in monitoring and security of critical systems. Those objectives require the company to continually evaluate and, where required and responsibly sustained, implement the best available new technologies.

Project No: 96828347 Corporate Applications Prog 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 96828347 Corporate Applications Prog 2027

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	2,000	2,000	2,000	2,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	1,000	1,000	1,000	1,000
370: Outside Services	-	-	-	15,000	15,000	15,000	15,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	52	155	266	374
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	160	160	160	160
914: Pension and Benefits	-	-	-	470	470	470	470
915: Injuries and Damages	-	-	-	43	43	43	43
921: Stores Load	-	-	-	33	33	33	33
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	18,758	18,862	18,972	19,080

Project No: **96828347** **Corporate Applications Prog 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	2,000	2,000	2,000	14,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	1,000	1,000	1,000	7,000
370: Outside Services	15,000	15,000	15,000	105,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	468	573	680	2,568
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	160	160	160	1,120
914: Pension and Benefits	470	470	470	3,291
915: Injuries and Damages	43	43	43	304
921: Stores Load	33	33	33	229
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	19,175	19,280	19,386	133,512

Project No: 96828347 Corporate Applications Prog 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	14,000	2,000	2,000	2,000	20,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	7,000	1,000	1,000	1,000	10,000	-	-	-
370: Outside Services	105,000	15,000	15,000	15,000	150,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,568	770	876	1,021	5,235	-	-	-
610: Expenses - General	-	-	-	7,000	7,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,120	160	160	160	1,600	-	-	-
914: Pension and Benefits	3,291	470	470	470	4,702	-	-	-
915: Injuries and Damages	304	43	43	43	434	-	-	-
921: Stores Load	229	33	33	33	327	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(199,298)	(199,298)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	133,512	19,477	19,582	(172,571)	-	-	-	-

Project No: **96828347** **Corporate Applications Prog 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	20,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	10,000
370: Outside Services	-	-	-	-	-	-	150,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	5,235
610: Expenses - General	-	-	-	-	-	-	7,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	1,600
914: Pension and Benefits	-	-	-	-	-	-	4,702
915: Injuries and Damages	-	-	-	-	-	-	434
921: Stores Load	-	-	-	-	-	-	327
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(199,298)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828357 CUCM Upgrade 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 3/1/2027

Estimated Completion Date 12/31/2027

Description

The CUCM Upgrade 2027 project upgrades PNM's Cisco Unified Communications Manager (CUCM) platform and associated telecommunications infrastructure to current vendor-supported versions. CUCM serves as the central call processing and management platform for the company's enterprise voice, video, and collaboration systems, supporting communication services across business and operational locations. The project includes software upgrades, supporting server and infrastructure updates, system integrations, configuration updates, testing activities, and migration of telecommunications services to the refreshed platform. These improvements are necessary to maintain vendor support, improve reliability and security, ensure compatibility with current Cisco communications technologies, and support the continued operation of PNM's enterprise telecommunications environment.

Project No: 96828357 CUCM Upgrade 2027

Project Need Justification	Like all computing equipment, the CUCM has a limited lifespan and must be refreshed periodically to ensure reliability and supportability by the manufacturer. PNM's current CUCM and back-up were installed in 2020 and are at end of life. Additionally, replacement upgraded CUCMs have additional desirable capabilities PNM finds useful and advantageous to improve efficiency and offer more tools to employees.

Project No: **96828357** **CUCM Upgrade 2027**

Project Alternatives	Because the current CUCM is at end of life, delays in upgrading this equipment would result in reduced reliability and an inability to receive service from the vendor, if necessary. Those are not acceptable possibilities for PNM.

Project No: **96828357** **CUCM Upgrade 2027**

Project Estimate Approach	Estimates for CUCM replacement have been derived from negotiated proposals by the vendor combined with internal cost estimates based on prior experience installing and testing this equipment.

Project No: **96828357** **CUCM Upgrade 2027**

Customer Benefit	Customers can be severely impacted by failures or inefficiencies in equipment used to communicate with PNM staff. Additionally, inefficiencies or delays in PNM staff communicating with one another may also result in delays providing responses or services to customers. Upgrading the CUCM helps mitigate the risks of frustrating communications failures.

Project No: 96828357 CUCM Upgrade 2027

Primary Value Driver	Reliability & Resiliency
Compliance	
Customer Delivery	PNM's CUCM is an important component in the company's ability to meet customer expectations and address inquiries. Improvements in an upgraded, refreshed CUCM indirectly lead to improvements in PNM's ability to interact with customers.
Energy Transition	

Project No: **96828357** **CUCM Upgrade 2027**

General Services

Reliability & Resiliency

The CUCM and it's back-up are the heart of PNM's modern digital communications capabilities. If this device fails or becomes unreliable, customers and staff are highly likely to experience frustration and delays.

Safety & Security

Technology Advancements

A replacement for PNM's CUCM is expected to incorporate the latest improvements in telecommunications, including artificial intelligence to improve internal functions within the device itself as well as improvements to voice and video capabilities staff rely on to communicate effectively and efficiently.

Project No: 96828357 CUCM Upgrade 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828357** **CUCM Upgrade 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	5,000	5,000	5,000	5,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	12,000	12,000	12,000	12,000
370: Outside Services	-	-	-	10,000	10,000	10,000	10,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	83	249	426	599
610: Expenses - General	-	-	-	900	900	900	900
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	400	400	400	400
914: Pension and Benefits	-	-	-	1,176	1,176	1,176	1,176
915: Injuries and Damages	-	-	-	109	109	109	109
921: Stores Load	-	-	-	392	392	392	392
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	30,060	30,225	30,402	30,575

Project No: **96828357** **CUCM Upgrade 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	5,000	5,000	5,000	35,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	12,000	12,000	12,000	84,000
370: Outside Services	10,000	10,000	10,000	70,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	750	919	1,089	4,115
610: Expenses - General	900	900	900	6,300
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	400	400	400	2,800
914: Pension and Benefits	1,176	1,176	1,176	8,229
915: Injuries and Damages	109	109	109	760
921: Stores Load	392	392	392	2,745
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	30,727	30,895	31,066	213,948

Project No: 96828357 CUCM Upgrade 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	35,000	5,000	5,000	5,000	50,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	84,000	12,000	12,000	12,000	120,000	-	-	-
370: Outside Services	70,000	10,000	10,000	10,000	100,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	4,115	1,235	1,403	1,606	8,359	-	-	-
610: Expenses - General	6,300	900	900	900	9,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,800	400	400	400	4,000	-	-	-
914: Pension and Benefits	8,229	1,176	1,176	1,176	11,755	-	-	-
915: Injuries and Damages	760	109	109	109	1,085	-	-	-
921: Stores Load	2,745	392	392	392	3,922	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(308,120)	(308,120)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	213,948	31,211	31,379	(276,538)	-	-	-	-

Project No: **96828357** **CUCM Upgrade 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	50,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	120,000
370: Outside Services	-	-	-	-	-	-	100,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	8,359
610: Expenses - General	-	-	-	-	-	-	9,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,000
914: Pension and Benefits	-	-	-	-	-	-	11,755
915: Injuries and Damages	-	-	-	-	-	-	1,085
921: Stores Load	-	-	-	-	-	-	3,922
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(308,120)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828367 Service Suite Upg 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2027

Estimated Completion Date 12/31/2027

Description

The Service Suite Upgrade project is a periodic, required refresh of important software used to relay and manage required repairs to equipment in the field, including equipment that directly impacts customer access to reliable power. The project will replace end of life hardware including servers, data storage and interfaces, as well as upgrade software components to the latest warranted versions supported by vendors. Additionally, operating systems and database management software will be upgraded to the current standards of both PNM and vendors.

Project No: **96828367** **Service Suite Upg 2027**

Project Need Justification

All systems have limited lifecycles that require periodic refresh, both to ensure systems remain reliable and supportable and to help ensure any new cyber risks are mitigated. Service Suite was previously delayed in its upgrade due to higher competing priorities and is thus overdue. Further delays would likely incur substantially greater operational risk which would be unacceptable to the company.

Project No: **96828367** **Service Suite Upg 2027**

Project Alternatives

Alternatives to the Service Suite Upgrade would include possibly replacing Service Suite with a different system or delaying work. Because the current system is established and performs well at PNM, the added complexity and cost of changing systems is not a necessary option at this time. Likewise, delaying the upgrade is not a viable option due to the greatly increased risk to reliability and security of running this system on out-of-date and unsupported infrastructure.

Project No: **96828367** **Service Suite Upg 2027**

Project Estimate Approach	Project costs have been derived from vendor quotes as well as historical data about internal labor and administrative overhead costs from previous upgrades of this system

Project No: **96828367** **Service Suite Upg 2027**

Customer Benefit	PNM customers will benefit from this upgrade primarily in the form of increased reliability of service. Failure to upgrade the Service Suite system would lead to a greatly reduced ability to predict needed maintenance and proactively correct incipient issues in the field, leading to more frequent failure to deliver reliable service to customers.

Project No: 96828367 Service Suite Upg 2027

Primary Value Driver: Reliability & Resiliency

Compliance

Customer Delivery: Service Suite is a key tool PNM uses to predict trouble with old or defective equipment before that equipment fails. Being able to predict and correct issues, then, is central to PNM's mission to provide reliable service to customers.

Energy Transition

Project No: **96828367** **Service Suite Upg 2027**

General Services

Reliability & Resiliency

Service Suite is a key tool PNM uses to predict trouble with old or defective equipment before that equipment fails. Being able to predict and correct issues, then, is central to PNM's mission to provide reliable service to customers.

Safety & Security

Technology Advancements

Project No: 96828367 Service Suite Upg 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828367** **Service Suite Upg 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	6,250	6,250	6,250	6,250	6,250	6,250
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	35,417	35,417	35,417	35,417	35,417	35,417
370: Outside Services	-	35,000	35,000	35,000	35,000	35,000	35,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	234	703	1,127	1,571	2,071	2,543
610: Expenses - General	-	667	667	667	667	667	667
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	500	500	500	500	500	500
914: Pension and Benefits	-	1,469	1,469	1,469	1,469	1,469	1,469
915: Injuries and Damages	-	136	136	136	136	136	136
921: Stores Load	-	1,157	1,157	1,157	1,157	1,157	1,157
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	80,830	81,299	81,723	82,167	82,667	83,139

Project No: **96828367** **Service Suite Upg 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	6,250	6,250	6,250	56,250
120: Overtime-General	-	-	-	-
350: Material Issues-Major	35,417	35,417	35,417	318,750
370: Outside Services	35,000	35,000	35,000	315,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	2,931	3,388	3,852	18,419
610: Expenses - General	667	667	667	6,000
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	500	500	500	4,500
914: Pension and Benefits	1,469	1,469	1,469	13,224
915: Injuries and Damages	136	136	136	1,221
921: Stores Load	1,157	1,157	1,157	10,417
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	83,527	83,984	84,448	743,781

Project No: 96828367 Service Suite Upg 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	56,250	6,250	6,250	6,250	75,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	318,750	35,417	35,417	35,417	425,000	-	-	-
370: Outside Services	315,000	35,000	35,000	35,000	420,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	18,419	4,228	4,686	5,256	32,589	-	-	-
610: Expenses - General	6,000	667	667	667	8,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,500	500	500	500	6,000	-	-	-
914: Pension and Benefits	13,224	1,469	1,469	1,469	17,633	-	-	-
915: Injuries and Damages	1,221	136	136	136	1,628	-	-	-
921: Stores Load	10,417	1,157	1,157	1,157	13,889	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(999,738)	(999,738)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	743,781	84,824	85,282	(913,886)	-	-	-	-

Project No: 96828367 Service Suite Upg 2027

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	75,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	425,000
370: Outside Services	-	-	-	-	-	-	420,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	32,589
610: Expenses - General	-	-	-	-	-	-	8,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,000
914: Pension and Benefits	-	-	-	-	-	-	17,633
915: Injuries and Damages	-	-	-	-	-	-	1,628
921: Stores Load	-	-	-	-	-	-	13,889
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(999,738)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828386 AI Program 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The annual Artificial Intelligence (AI) Program incorporates one or more projects that enhance PNM's ability to leverage and manage the latest and most promising developments in the rapidly emerging field of AI. These enhancements and upgrades are typically identified throughout the year by PNM's Technology Infrastructure team as well as business leaders throughout the company and are focused on increasing efficiency, ensuring compliance with regulatory requirements, or improving the security of the systems. These projects focus on systems and tools other than the main existing systems which have their own periodic dedicated refresh projects. Example projects under this program include implementation of new AI capabilities for automated documentation and customer service. This project includes enhancements and upgrades performed in 2026.

Project No: **96828386** **AI Program 2026**

Project Need Justification

The field of artificial intelligence offers many exciting possibilities to greatly expand company capabilities as well as streamline interactions with customers. It also includes potential threats and dangers that must be understood and mitigated. The AI Program allows PNM to adopt the most promising new capabilities while also helping minimize potential issues AI could introduce.

Project No: **96828386** **AI Program 2026**

Project Alternatives

Alternative 1) Evaluate and fund artificial intelligence initiatives only through individual standalone projects as opportunities arise. This alternative was considered but not selected because emerging AI technologies often evolve rapidly and require timely evaluation, pilot implementations, and smaller-scale deployments to determine their applicability and value. Requiring separate project approvals for every AI-related enhancement could delay implementation of beneficial capabilities and reduce the organization's ability to respond efficiently to emerging opportunities.

Alternative 2) Limit AI investments to a smaller number of narrowly focused initiatives and defer broader evaluation of emerging capabilities. While this approach would reduce near-term expenditures, it could limit the organization's ability to identify technologies that improve operational efficiency, strengthen cybersecurity protections, enhance customer service, or support regulatory and business requirements.

Alternative 3) Maintain the AI Program as a dedicated funding vehicle for evaluating and implementing promising artificial intelligence capabilities. This alternative was selected because it provides a structured and controlled framework for assessing new technologies, performing targeted implementations, and prioritizing investments based on demonstrated business value, operational benefits, security considerations, and organizational needs.

Project No: 96828386 AI Program 2026

Project Estimate Approach	PNM funds the annual AI Program with an amount that is both sufficient to invest meaningfully while also exercising great prudence and care. Each potential AI initiative considered for the program is carefully weighed, analyzed, and prioritized to ensure it is an important and necessary advance in PNM's use of AI. Each project is estimated by a combination of vendor proposals and PNM's own experience implementing projects of similar scope and scale.

Project No: **96828386** **AI Program 2026**

Customer Benefit

PNM customers benefit from company adoption of AI capabilities through increased efficiency and lower cost as well as improvements in accuracy and timeliness of information. AI also promises significant improvements in PNM's ability to monitor and assess changing conditions that may improve its ability to proactively mitigate equipment or environmental risks that can threaten its ability to deliver power to customers reliably.

Project No: **96828386 AI Program 2026**

Primary Value Driver: Technology Advancements

Compliance

Customer Delivery: PNM customers benefit from company adoption of AI capabilities through increased efficiency and lower cost as well as improvements in accuracy and timeliness of information. AI also promises significant improvements in PNM's ability to monitor and assess changing conditions that may improve its ability to proactively mitigate equipment or environmental risks that can threaten its ability to deliver power to customers reliably.

Energy Transition

Project No: **96828386** **AI Program 2026**

General Services

Reliability & Resiliency

PNM customers benefit from company adoption of AI capabilities through increased efficiency and lower cost as well as improvements in accuracy and timeliness of information. AI also promises significant improvements in PNM's ability to monitor and assess changing conditions that may improve its ability to proactively mitigate equipment or environmental risks that can threaten its ability to deliver power to customers reliably.

Safety & Security

Technology Advancements

PNM is very aware of the promise and the significant potential threat posed by rapid improvements in artificial intelligence. PNM works closely with expert consultants to leverage AI capabilities to defend its business from these new potentially damaging threats.

Project No: 96828386 AI Program 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	25,957	8,333	8,333	8,333	8,333	8,333	16,000	83,624
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	183,333	183,333	183,333	183,333	183,333	365,000	1,281,667
370: Outside Services	-	33,333	33,333	33,333	33,333	33,333	66,000	232,667
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,459	754	1,914	3,086	4,255	6,097	10,073	27,638
610: Expenses - General	378,560	-	-	-	-	290,000	600,000	1,268,560
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,077	667	667	667	667	667	1,280	6,690
914: Pension and Benefits	5,666	1,819	1,819	1,819	1,819	1,819	3,493	18,255
915: Injuries and Damages	517	166	166	166	166	166	318	1,664
921: Stores Load	1,010	7,861	7,861	7,861	7,861	7,861	15,651	55,968
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(380,579)	-	-	-	-	-	(2,594,694)	(2,975,273)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	34,667	236,267	237,428	238,599	239,768	531,610	(1,516,879)	1,459

Project No: **96828386** **AI Program 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	83,624	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	1,281,667	-	-	-	-	-	-
370: Outside Services	232,667	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	27,638	-	-	-	-	-	-
610: Expenses - General	1,268,560	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	6,690	-	-	-	-	-	-
914: Pension and Benefits	18,255	-	-	-	-	-	-
915: Injuries and Damages	1,664	-	-	-	-	-	-
921: Stores Load	55,968	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(2,975,273)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	1,459	-	-	-	-	-	-

Project No: **96828386** **AI Program 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	83,624
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	1,281,667
370: Outside Services	-	-	-	232,667
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	27,638
610: Expenses - General	-	-	-	1,268,560
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	6,690
914: Pension and Benefits	-	-	-	18,255
915: Injuries and Damages	-	-	-	1,664
921: Stores Load	-	-	-	55,968
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(2,975,273)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	1,459

Project No: 96828386 AI Program 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	83,624	-	-	-	83,624	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,281,667	-	-	-	1,281,667	-	-	-
370: Outside Services	232,667	-	-	-	232,667	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	27,638	-	-	-	27,638	-	-	-
610: Expenses - General	1,268,560	-	-	-	1,268,560	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	6,690	-	-	-	6,690	-	-	-
914: Pension and Benefits	18,255	-	-	-	18,255	-	-	-
915: Injuries and Damages	1,664	-	-	-	1,664	-	-	-
921: Stores Load	55,968	-	-	-	55,968	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(2,975,273)	-	-	-	(2,975,273)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,459	-	-	-	1,459	-	-	-

Project No: **96828386** **AI Program 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	83,624
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	1,281,667
370: Outside Services	-	-	-	-	-	-	232,667
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	27,638
610: Expenses - General	-	-	-	-	-	-	1,268,560
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,690
914: Pension and Benefits	-	-	-	-	-	-	18,255
915: Injuries and Damages	-	-	-	-	-	-	1,664
921: Stores Load	-	-	-	-	-	-	55,968
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(2,975,273)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	1,459

Project No: 96828387 AI Program 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2027

Estimated Completion Date 12/31/2027

Description

The annual Artificial Intelligence (AI) Program incorporates one or more projects that enhance PNM's ability to leverage and manage the latest and most promising developments in the rapidly emerging field of AI. These enhancements and upgrades are typically identified throughout the year by PNM's Technology Infrastructure team as well as business leaders throughout the company and are focused on increasing efficiency, ensuring compliance with regulatory requirements, or improving the security of the systems. These projects focus on systems and tools other than the main existing systems which have their own periodic dedicated refresh projects. Example projects under this program include implementation of new AI capabilities for automated documentation and customer service. This project includes enhancements and upgrades performed in 2027.

Project No: **96828387 AI Program 2027**

Project Need Justification

The field of artificial intelligence offers many exciting possibilities to greatly expand company capabilities as well as streamline interactions with customers. It also includes potential threats and dangers that must be understood and mitigated. The AI Program allows PNM to adopt the most promising new capabilities while also helping minimize potential issues AI could introduce.

Project No: **96828387 AI Program 2027**

Project Alternatives

Alternative 1) Evaluate and fund artificial intelligence initiatives only through individual standalone projects as opportunities arise. This alternative was considered but not selected because emerging AI technologies often evolve rapidly and require timely evaluation, pilot implementations, and smaller-scale deployments to determine their applicability and value. Requiring separate project approvals for every AI-related enhancement could delay implementation of beneficial capabilities and reduce the organization's ability to respond efficiently to emerging opportunities.

Alternative 2) Limit AI investments to a smaller number of narrowly focused initiatives and defer broader evaluation of emerging capabilities. While this approach would reduce near-term expenditures, it could limit the organization's ability to identify technologies that improve operational efficiency, strengthen cybersecurity protections, enhance customer service, or support regulatory and business requirements.

Alternative 3) Maintain the AI Program as a dedicated funding vehicle for evaluating and implementing promising artificial intelligence capabilities. This alternative was selected because it provides a structured and controlled framework for assessing new technologies, performing targeted implementations, and prioritizing investments based on demonstrated business value, operational benefits, security considerations, and organizational needs.

Project No: 96828387 AI Program 2027

Project Estimate Approach	PNM funds the annual AI Program with an amount that is both sufficient to invest meaningfully while also exercising great prudence and care. Each potential AI initiative considered for the program is carefully weighed, analyzed, and prioritized to ensure it is an important and necessary advance in PNM's use of AI. Each project is estimated by a combination of vendor proposals and PNM's own experience implementing projects of similar scope and scale.

Project No: **96828387** **AI Program 2027**

Customer Benefit	PNM customers benefit from company adoption of AI capabilities through increased efficiency and lower cost as well as improvements in accuracy and timeliness of information. AI also promises significant improvements in PNM's ability to monitor and assess changing conditions that may improve its ability to proactively mitigate equipment or environmental risks that can threaten its ability to deliver power to customers reliably.

Project No: 96828387 AI Program 2027

Primary Value Driver: Technology Advancements

Compliance

Customer Delivery: PNM customers benefit from company adoption of AI capabilities through increased efficiency and lower cost as well as improvements in accuracy and timeliness of information. AI also promises significant improvements in PNM's ability to monitor and assess changing conditions that may improve its ability to proactively mitigate equipment or environmental risks that can threaten its ability to deliver power to customers reliably.

Energy Transition

Project No: **96828387** **AI Program 2027**

General Services

Reliability & Resiliency

PNM customers benefit from company adoption of AI capabilities through increased efficiency and lower cost as well as improvements in accuracy and timeliness of information. AI also promises significant improvements in PNM's ability to monitor and assess changing conditions that may improve its ability to proactively mitigate equipment or environmental risks that can threaten its ability to deliver power to customers reliably.

Safety & Security

Technology Advancements

PNM is very aware of the promise and the significant potential threat posed by rapid improvements in artificial intelligence. PNM works closely with expert consultants to leverage AI capabilities to defend its business from these new potentially damaging threats.

Project No: 96828387 AI Program 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828387** **AI Program 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	8,333	8,333	8,333	8,333	8,333
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	175,000	175,000	175,000	175,000	175,000
370: Outside Services	-	-	33,333	33,333	33,333	33,333	33,333
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	653	1,884	3,126	4,488	5,798
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	667	667	667	667	667
914: Pension and Benefits	-	-	1,959	1,959	1,959	1,959	1,959
915: Injuries and Damages	-	-	181	181	181	181	181
921: Stores Load	-	-	5,719	5,719	5,719	5,719	5,719
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	225,846	227,076	228,319	229,680	230,990

Project No: **96828387** **AI Program 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	8,333	8,333	8,333	66,667
120: Overtime-General	-	-	-	-
350: Material Issues-Major	175,000	175,000	175,000	1,400,000
370: Outside Services	33,333	33,333	33,333	266,667
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	6,910	8,181	9,469	40,509
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	667	667	667	5,333
914: Pension and Benefits	1,959	1,959	1,959	15,673
915: Injuries and Damages	181	181	181	1,447
921: Stores Load	5,719	5,719	5,719	45,752
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	232,102	233,373	234,662	1,842,048

Project No: 96828387 AI Program 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	66,667	8,333	8,333	16,000	99,333	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,400,000	175,000	175,000	350,000	2,100,000	-	-	-
370: Outside Services	266,667	33,333	33,333	66,000	399,333	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	40,509	10,540	11,813	14,527	77,389	-	-	-
610: Expenses - General	-	-	-	196,011	196,011	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	5,333	667	667	1,280	7,947	-	-	-
914: Pension and Benefits	15,673	1,959	1,959	3,762	23,353	-	-	-
915: Injuries and Damages	1,447	181	181	347	2,156	-	-	-
921: Stores Load	45,752	5,719	5,719	11,438	68,628	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(2,974,150)	(2,974,150)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,842,048	235,733	237,005	(2,314,786)	(0)	-	-	-

Project No: **96828387** **AI Program 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	99,333
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	2,100,000
370: Outside Services	-	-	-	-	-	-	399,333
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	77,389
610: Expenses - General	-	-	-	-	-	-	196,011
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	7,947
914: Pension and Benefits	-	-	-	-	-	-	23,353
915: Injuries and Damages	-	-	-	-	-	-	2,156
921: Stores Load	-	-	-	-	-	-	68,628
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(2,974,150)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96828425 CPR Servers Storage 2025

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	70%
	Denton (TX)	30%

Estimated Start Date 1/4/2025

Estimated Completion Date 6/30/2026

Description

The Computer Platform Refresh (CPR) Servers Storage project is an annual blanket effort designed to replace existing components at end-of-life that support PNMR's data center infrastructure. Old equipment replaced under this project will be replaced with new functional equivalent equipment. Examples of equipment refreshed under this project include smaller firewalls and security system component license renewals. This project covers work in 2025.

Project No: 96828425 CPR Servers Storage 2025

Project Need Justification	Each of the many individual components of PNMR's data center infrastructure has a limited lifespan due both to wear and tear and to obsolescence as new capabilities address new business needs. This annual blanket replaces equipment that has reached end-of-life.

Project No: 96828425 CPR Servers Storage 2025

Project Alternatives

Alternative 1) is to do nothing. However, failing to replace obsolete equipment increases the unacceptable risk of complete loss of services.
Alternative 2) is to replace worn out equipment with poor, cheap substitutes but this also engenders completely unacceptable risk.

Project No: **96828425** **CPR Servers Storage 2025**

Project Estimate Approach	Project estimates are derived from a combination of key, trusted vendor quotes as well as internal expertise and past experience with similar efforts.

Project No: **96828425** **CPR Servers Storage 2025**

Customer Benefit	PNMR customers reap benefits of reliability and system performance when critical infrastructure that delivers company services is in top-flight working condition.

Project No: **96828425** **CPR Servers Storage 2025**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96828425** **CPR Servers Storage 2025**

General Services

Reliability & Resiliency

In today's highly automated, computerized world, PNMR's business is extremely dependent on safe, secure, and reliable operations. Data center infrastructure assets replaced at end-of-life by this blanket project are key to ensuring operations are not disrupted.

Safety & Security

Technology Advancements

Project No: 96828425 CPR Servers Storage 2025

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	46,425	-	-	-	-	-	-	46,425
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,600,869	-	-	-	-	-	-	1,600,869
370: Outside Services	283,083	-	-	-	-	-	-	283,083
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	45,910	-	-	-	-	-	-	45,910
610: Expenses - General	193,368	-	-	-	-	-	-	193,368
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	3,561	-	-	-	-	-	-	3,561
914: Pension and Benefits	9,661	-	-	-	-	-	-	9,661
915: Injuries and Damages	978	-	-	-	-	-	-	978
921: Stores Load	7,237	-	-	-	-	-	-	7,237
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(2,163,094)	(28,000)	-	-	-	-	-	(2,191,094)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	28,000	(28,000)	-	-	-	-	-	0

Project No: **96828425** **CPR Servers Storage 2025**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	46,425	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	1,600,869	-	-	-	-	-	-
370: Outside Services	283,083	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	45,910	-	-	-	-	-	-
610: Expenses - General	193,368	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	3,561	-	-	-	-	-	-
914: Pension and Benefits	9,661	-	-	-	-	-	-
915: Injuries and Damages	978	-	-	-	-	-	-
921: Stores Load	7,237	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(2,191,094)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	0	-	-	-	-	-	-

Project No: 96828425 CPR Servers Storage 2025

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	46,425
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	1,600,869
370: Outside Services	-	-	-	283,083
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	45,910
610: Expenses - General	-	-	-	193,368
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	3,561
914: Pension and Benefits	-	-	-	9,661
915: Injuries and Damages	-	-	-	978
921: Stores Load	-	-	-	7,237
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(2,191,094)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	0

Project No: 96828425 CPR Servers Storage 2025

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	46,425	-	-	-	46,425	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,600,869	-	-	-	1,600,869	-	-	-
370: Outside Services	283,083	-	-	-	283,083	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	45,910	-	-	-	45,910	-	-	-
610: Expenses - General	193,368	-	-	-	193,368	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	3,561	-	-	-	3,561	-	-	-
914: Pension and Benefits	9,661	-	-	-	9,661	-	-	-
915: Injuries and Damages	978	-	-	-	978	-	-	-
921: Stores Load	7,237	-	-	-	7,237	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(2,191,094)	-	-	-	(2,191,094)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	0	-	-	-	0	-	-	-

Project No: 96828425 CPR Servers Storage 2025

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	46,425
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	1,600,869
370: Outside Services	-	-	-	-	-	-	283,083
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	45,910
610: Expenses - General	-	-	-	-	-	-	193,368
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	3,561
914: Pension and Benefits	-	-	-	-	-	-	9,661
915: Injuries and Damages	-	-	-	-	-	-	978
921: Stores Load	-	-	-	-	-	-	7,237
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(2,191,094)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: 96828426 CPR Servers Storage 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	70%
	Denton (TX)	30%

Estimated Start Date 2/1/2026

Estimated Completion Date 12/31/2026

Description

The Computer Platform Refresh (CPR) Servers Storage project is an annual blanket effort designed to replace existing components at end-of-life that support PNMR's data center infrastructure. Old equipment replaced under this project will be replaced with new functional equivalent equipment. Examples of equipment refreshed under this project include smaller firewalls and security system component license renewals. This project covers work in 2026.

Project No: 96828426 CPR Servers Storage 2026

Project Need Justification	Each of the many individual components of PNMR's data center infrastructure has a limited lifespan due both to wear and tear and to obsolescence as new capabilities address new business needs. This annual blanket replaces equipment that has reached end-of-life.

Project No: **96828426** **CPR Servers Storage 2026**

Project Alternatives

Alternative 1) is to do nothing. However, failing to replace obsolete equipment increases the unacceptable risk of complete loss of services.
Alternative 2) is to replace worn out equipment with poor, cheap substitutes but this also engenders completely unacceptable risk.

Project No: 96828426 CPR Servers Storage 2026

Project Estimate Approach	Project estimates are derived from a combination of key, trusted vendor quotes as well as internal expertise and past experience with similar efforts.

Project No: **96828426** **CPR Servers Storage 2026**

Customer Benefit	PNMR customers reap benefits of reliability and system performance when critical infrastructure that delivers company services is in top-flight working condition.

Project No: **96828426** **CPR Servers Storage 2026**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96828426** **CPR Servers Storage 2026**

General Services

Reliability & Resiliency

In today's highly automated, computerized world, PNMR's business is extremely dependent on safe, secure, and reliable operations. Data center infrastructure assets replaced at end-of-life by this blanket project are key to ensuring operations are not disrupted.

Safety & Security

Technology Advancements

Project No: 96828426 CPR Servers Storage 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	26,987	9,091	9,091	9,091	9,091	9,091	9,091	81,532
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	42,157	109,091	109,091	-	400,000	-	-	660,339
370: Outside Services	128,379	27,273	27,273	27,273	27,273	27,273	27,273	292,015
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	4,545	4,545	4,545	4,545	4,545	4,545	27,273
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	5,617	1,458	2,230	2,737	3,988	5,205	5,720	26,956
610: Expenses - General	4,561	-	-	-	-	-	100,000	104,561
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,159	727	727	727	727	727	727	6,523
914: Pension and Benefits	5,891	1,985	1,985	1,985	1,985	1,985	1,985	17,798
915: Injuries and Damages	537	181	181	181	181	181	181	1,622
921: Stores Load	2,629	4,678	4,678	-	17,152	-	-	29,137
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,242,139)	(1,242,139)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	218,917	159,028	159,801	46,539	464,942	49,007	(1,092,617)	5,617

Project No: **96828426** **CPR Servers Storage 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	81,532	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	660,339	-	-	-	-	-	-
370: Outside Services	292,015	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	27,273	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	26,956	-	-	-	-	-	-
610: Expenses - General	104,561	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	6,523	-	-	-	-	-	-
914: Pension and Benefits	17,798	-	-	-	-	-	-
915: Injuries and Damages	1,622	-	-	-	-	-	-
921: Stores Load	29,137	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,242,139)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	5,617	-	-	-	-	-	-

Project No: 96828426 CPR Servers Storage 2026

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	81,532
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	660,339
370: Outside Services	-	-	-	292,015
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	27,273
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	26,956
610: Expenses - General	-	-	-	104,561
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	6,523
914: Pension and Benefits	-	-	-	17,798
915: Injuries and Damages	-	-	-	1,622
921: Stores Load	-	-	-	29,137
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,242,139)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	5,617

Project No: 96828426 CPR Servers Storage 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	81,532	-	-	-	81,532	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	660,339	-	-	-	660,339	-	-	-
370: Outside Services	292,015	-	-	-	292,015	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	27,273	-	-	-	27,273	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	26,956	-	-	-	26,956	-	-	-
610: Expenses - General	104,561	-	-	-	104,561	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	6,523	-	-	-	6,523	-	-	-
914: Pension and Benefits	17,798	-	-	-	17,798	-	-	-
915: Injuries and Damages	1,622	-	-	-	1,622	-	-	-
921: Stores Load	29,137	-	-	-	29,137	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,242,139)	-	-	-	(1,242,139)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	5,617	-	-	-	5,617	-	-	-

Project No: **96828426** **CPR Servers Storage 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	81,532
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	660,339
370: Outside Services	-	-	-	-	-	-	292,015
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	27,273
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	26,956
610: Expenses - General	-	-	-	-	-	-	104,561
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,523
914: Pension and Benefits	-	-	-	-	-	-	17,798
915: Injuries and Damages	-	-	-	-	-	-	1,622
921: Stores Load	-	-	-	-	-	-	29,137
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,242,139)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	5,617

Project No: 96828427 CPR Servers Storage 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	70%
	Denton (TX)	30%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Computer Platform Refresh (CPR) Servers Storage project is an annual blanket effort designed to replace existing components at end-of-life that support PNMR's data center infrastructure. Old equipment replaced under this project will be replaced with new functional equivalent equipment. Examples of equipment refreshed under this project include smaller firewalls and security system component license renewals. This project covers work in 2027.

Project No: 96828427 CPR Servers Storage 2027

Project Need Justification	Each of the many individual components of PNMR's data center infrastructure has a limited lifespan due both to wear and tear and to obsolescence as new capabilities address new business needs. This annual blanket replaces equipment that has reached end-of-life.

Project No: 96828427 CPR Servers Storage 2027

Project Alternatives

Alternative 1) is to do nothing. However, failing to replace obsolete equipment increases the unacceptable risk of complete loss of services.
Alternative 2) is to replace worn out equipment with poor, cheap substitutes but this also engenders completely unacceptable risk.

Project No: **96828427** **CPR Servers Storage 2027**

Project Estimate Approach	Project estimates are derived from a combination of key, trusted vendor quotes as well as internal expertise and past experience with similar efforts.

Project No: **96828427** **CPR Servers Storage 2027**

Customer Benefit	PNMR customers reap benefits of reliability and system performance when critical infrastructure that delivers company services is in top-flight working condition.

Project No: **96828427** **CPR Servers Storage 2027**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96828427** **CPR Servers Storage 2027**

General Services

Reliability & Resiliency

In today's highly automated, computerized world, PNMR's business is extremely dependent on safe, secure, and reliable operations. Data center infrastructure assets replaced at end-of-life by this blanket project are key to ensuring operations are not disrupted.

Safety & Security

Technology Advancements

Project No: 96828427 CPR Servers Storage 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828427** **CPR Servers Storage 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	4,545	4,545	4,545	4,545	4,545
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	80,000	136,364	136,364
370: Outside Services	-	-	25,455	25,455	25,455	25,455	25,455
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	91	264	666	1,495	2,483
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	364	364	364	364	364
914: Pension and Benefits	-	-	1,069	1,069	1,069	1,069	1,069
915: Injuries and Damages	-	-	99	99	99	99	99
921: Stores Load	-	-	-	-	2,614	4,456	4,456
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	31,622	31,795	114,811	173,846	174,834

Project No: **96828427** **CPR Servers Storage 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	4,545	4,545	4,545	36,364
120: Overtime-General	-	-	-	-
350: Material Issues-Major	136,364	136,364	136,364	761,818
370: Outside Services	25,455	25,455	25,455	203,636
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	3,377	4,341	5,316	18,032
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	364	364	364	2,909
914: Pension and Benefits	1,069	1,069	1,069	8,549
915: Injuries and Damages	99	99	99	789
921: Stores Load	4,456	4,456	4,456	24,896
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	175,728	176,692	177,666	1,056,994

Project No: 96828427 CPR Servers Storage 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	36,364	4,545	4,545	4,545	50,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	761,818	136,364	136,364	136,364	1,170,909	-	-	-
370: Outside Services	203,636	25,455	25,455	25,455	280,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	18,032	6,165	7,128	8,319	39,643	-	-	-
610: Expenses - General	-	-	-	18,066	18,066	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,909	364	364	364	4,000	-	-	-
914: Pension and Benefits	8,549	1,069	1,069	1,069	11,755	-	-	-
915: Injuries and Damages	789	99	99	99	1,085	-	-	-
921: Stores Load	24,896	4,456	4,456	4,456	38,265	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,613,723)	(1,613,723)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,056,994	178,515	179,479	(1,414,988)	0	-	-	-

Project No: **96828427** **CPR Servers Storage 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	50,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	1,170,909
370: Outside Services	-	-	-	-	-	-	280,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	39,643
610: Expenses - General	-	-	-	-	-	-	18,066
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,000
914: Pension and Benefits	-	-	-	-	-	-	11,755
915: Injuries and Damages	-	-	-	-	-	-	1,085
921: Stores Load	-	-	-	-	-	-	38,265
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,613,723)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: 96828457 DC OS Lifecycle Mgmt 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	70%
	Denton (TX)	30%

Estimated Start Date 3/1/2027

Estimated Completion Date 12/31/2027

Description

The Datacenter Operating System Lifecycle Mgmt project will standardize datacenter operating systems, hypervisor versions, firmware baselines, and network operating system release trains across virtualization, server, appliance, and management platforms. As is common in datacenters where capabilities and equipment is added over time as needs arise or are anticipated, a wide range of roughly compatible components coexist but become increasingly challenging to track and plan for replacement over time. This becomes especially complex in a datacenter like PNM's, with its heavy virtualization and use of complex hybrid combinations of on-premises equipment and cloud capabilities. Urgency to provide a more systematic approach to managing all the components has increased due to the speed with which artificial intelligence has been incorporated and advanced in both PNM's equipment and the external threats the company receives thousands of times per day. This project will identify and implement an appropriate solution to managing all components in a more comprehensive way.

Project No: 96828457 DC OS Lifecycle Mgmt 2027

Project Need Justification

In an increasingly complex and fast-paced datacenter--PNM maintains two for the corporate network and one for transmission operations--companies can no longer rely on home-built tools such as spread sheets to maintain a view of all the multi-faceted components in play, all of which have finite service lives and which need frequent updates and patching. The risks to reliability and security of failing to plan ahead adequately or ensuring all instances of various components have been managed appropriately are too great.

Project No: **96828457** **DC OS Lifecycle Mgmt 2027**

Project Alternatives

Theoretically, PNM could continue using its current solutions to manage infrastructure lifecycles; however, the drawbacks and deficiencies of this approach have become manifest with the advent of sophisticated artificial intelligence and hybrid on-premises and cloud-based computing solutions. PNM experts will, instead, carefully survey the available tools for managing company infrastructure and select the most appropriate, cost-effective solution.

Project No: **96828457** **DC OS Lifecycle Mgmt 2027**

Project Estimate Approach	Project estimates are derived from a combination of vendor quotes and PNM's experience implementing systems of similar scope and scale.

Project No: 96828457 DC OS Lifecycle Mgmt 2027

Customer Benefit	The primary benefit for customers of the DC OS Lifecycle Mgmt project is to help ensure reliability and resilience. Highly automated and sophisticated power management and delivery is dependent on ensuring PNM's infrastructure is uniformly current and capable. Failure to manage datacenter components effectively could lead to outages and other interruptions that would negatively impact customers.

Project No: 96828457 DC OS Lifecycle Mgmt 2027

Primary Value Driver	Reliability & Resiliency
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828457** **DC OS Lifecycle Mgmt 2027**

General Services

Reliability & Resiliency

A principal benefit for customers of the DC OS Lifecycle Mgmt project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Safety & Security

Technology Advancements

As datacenter management becomes increasingly complex and multi-faceted with thousands of components, previously adequate tools to manage are no longer adequate. Instead, PNM must invest in modern management systems that automate and alert incipient misalignments and necessary upgrades.

Project No: 96828457 DC OS Lifecycle Mgmt 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 96828457 DC OS Lifecycle Mgmt 2027

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	1,000	1,000	1,000	1,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	2,000	2,000	2,000	2,000
370: Outside Services	-	-	-	3,500	3,500	3,500	3,500
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	20	61	104	146
610: Expenses - General	-	-	-	400	400	400	400
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	80	80	80	80
914: Pension and Benefits	-	-	-	235	235	235	235
915: Injuries and Damages	-	-	-	22	22	22	22
921: Stores Load	-	-	-	65	65	65	65
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	7,322	7,363	7,406	7,448

Project No: **96828457** **DC OS Lifecycle Mgmt 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	1,000	1,000	1,000	7,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	2,000	2,000	2,000	14,000
370: Outside Services	3,500	3,500	3,500	24,500
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	183	224	265	1,002
610: Expenses - General	400	400	400	2,800
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	80	80	80	560
914: Pension and Benefits	235	235	235	1,646
915: Injuries and Damages	22	22	22	152
921: Stores Load	65	65	65	458
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	7,485	7,526	7,568	52,118

Project No: 96828457 DC OS Lifecycle Mgmt 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	7,000	1,000	1,000	1,000	10,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	14,000	2,000	2,000	2,000	20,000	-	-	-
370: Outside Services	24,500	3,500	3,500	3,500	35,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,002	301	342	391	2,036	-	-	-
610: Expenses - General	2,800	400	400	400	4,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	560	80	80	80	800	-	-	-
914: Pension and Benefits	1,646	235	235	235	2,351	-	-	-
915: Injuries and Damages	152	22	22	22	217	-	-	-
921: Stores Load	458	65	65	65	654	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(75,058)	(75,058)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	52,118	7,603	7,644	(67,364)	-	-	-	-

Project No: **96828457** **DC OS Lifecycle Mgmt 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	10,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	20,000
370: Outside Services	-	-	-	-	-	-	35,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2,036
610: Expenses - General	-	-	-	-	-	-	4,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	800
914: Pension and Benefits	-	-	-	-	-	-	2,351
915: Injuries and Damages	-	-	-	-	-	-	217
921: Stores Load	-	-	-	-	-	-	654
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(75,058)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828526 CPR PCs 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

County %		
	Bernalillo	50%
	Denton (TX)	40%
	Santa Fe	5%
	Counties < 1%	5%

Description

The CPR (Computer Platform Refresh) PCs (Personal Computer, meaning any device used directly by employees to access systems and perform job duties) project is an annual blanket effort designed to replace existing components at end-of-life that support PNM's employees' work both in the office and field. Old equipment replaced under this project will be replaced with new functional equivalent equipment. This project covers replacements in 2026.

Project No: **96828526** **CPR PCs 2026**

Project Need Justification

Each of the many individual components of PNM's PC landscape has a limited lifespan due both to wear and tear and to obsolescence as new capabilities address new business needs. This annual blanket replaces equipment that has reached end-of-life.

Project No: **96828526** **CPR PCs 2026**

Project Alternatives

Alternative 1) is to do nothing. However, failing to replace obsolete equipment increases the unacceptable risk of complete loss of services.
Alternative 2) is to replace worn out equipment with poor, cheap substitutes but this also engenders completely unacceptable risk.

Project No: **96828526** **CPR PCs 2026**

Project Estimate Approach	Project estimates are derived from a combination of key, trusted vendor quotes as well as internal expertise and past experience with similar efforts.

Project No: **96828526** **CPR PCs 2026**

Customer Benefit

PNM customers reap benefits of reliability and system performance when crucial employee computer tools that delivers company services are in top-flight working condition.

Project No: **96828526** **CPR PCs 2026**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96828526** **CPR PCs 2026**

General Services

Reliability & Resiliency

In today's highly automated, computerized world, PNM's business is extremely dependent on safe, secure, and reliable operations. Employee computing assets replaced at end-of-life by this blanket project are key to ensuring operations are not disrupted.

Safety & Security

In today's highly automated, computerized world, PNM's business is extremely dependent on safe, secure, and reliable operations. Employee computing assets replaced at end-of-life by this blanket project are key to ensuring operations are secure.

Technology Advancements

Project No: 96828526 CPR PCs 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	37,336	-	-	-	-	-	-	37,336
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,376,837	(145,734)	-	-	-	-	-	1,231,102
370: Outside Services	242,811	-	-	-	-	-	-	242,811
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	32,127	7,714	-	-	-	-	-	39,841
610: Expenses - General	(51,941)	-	-	-	-	-	-	(51,941)
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,987	-	-	-	-	-	-	2,987
914: Pension and Benefits	8,151	-	-	-	-	-	-	8,151
915: Injuries and Damages	743	-	-	-	-	-	-	743
921: Stores Load	4,540	(6,249)	-	-	-	-	-	(1,709)
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	(1,477,194)	-	-	-	-	-	(1,477,194)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,653,590	(1,621,464)	-	-	-	-	-	32,127

Project No: **96828526** **CPR PCs 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	37,336	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	1,231,102	-	-	-	-	-	-
370: Outside Services	242,811	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	39,841	-	-	-	-	-	-
610: Expenses - General	(51,941)	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	2,987	-	-	-	-	-	-
914: Pension and Benefits	8,151	-	-	-	-	-	-
915: Injuries and Damages	743	-	-	-	-	-	-
921: Stores Load	(1,709)	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,477,194)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	32,127	-	-	-	-	-	-

Project No: **96828526** **CPR PCs 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	37,336
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	1,231,102
370: Outside Services	-	-	-	242,811
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	39,841
610: Expenses - General	-	-	-	(51,941)
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	2,987
914: Pension and Benefits	-	-	-	8,151
915: Injuries and Damages	-	-	-	743
921: Stores Load	-	-	-	(1,709)
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,477,194)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	32,127

Project No: 96828526 CPR PCs 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	37,336	-	-	-	37,336	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,231,102	-	-	-	1,231,102	-	-	-
370: Outside Services	242,811	-	-	-	242,811	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	39,841	-	-	-	39,841	-	-	-
610: Expenses - General	(51,941)	-	-	-	(51,941)	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,987	-	-	-	2,987	-	-	-
914: Pension and Benefits	8,151	-	-	-	8,151	-	-	-
915: Injuries and Damages	743	-	-	-	743	-	-	-
921: Stores Load	(1,709)	-	-	-	(1,709)	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,477,194)	-	-	-	(1,477,194)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	32,127	-	-	-	32,127	-	-	-

Project No: **96828526** **CPR PCs 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	37,336
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	1,231,102
370: Outside Services	-	-	-	-	-	-	242,811
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	39,841
610: Expenses - General	-	-	-	-	-	-	(51,941)
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	2,987
914: Pension and Benefits	-	-	-	-	-	-	8,151
915: Injuries and Damages	-	-	-	-	-	-	743
921: Stores Load	-	-	-	-	-	-	(1,709)
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,477,194)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	32,127

Project No: 96828527 CPR PCs 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

County %		
	Bernalillo	50%
	Denton (TX)	40%
	Santa Fe	5%
	Counties < 1%	5%

Description

The CPR (Computer Platform Refresh) PCs (Personal Computer, meaning any device used directly by employees to access systems and perform job duties) project is an annual blanket effort designed to replace existing components at end-of-life that support PNM's employees' work both in the office and field. Old equipment replaced under this project will be replaced with new functional equivalent equipment. This project covers replacements in 2027.

Project No: **96828527** **CPR PCs 2027**

Project Need Justification	Each of the many individual components of PNM's PC landscape has a limited lifespan due both to wear and tear and to obsolescence as new capabilities address new business needs. This annual blanket replaces equipment that has reached end-of-life.

Project No: **96828527** **CPR PCs 2027**

Project Alternatives

Alternative 1) is to do nothing. However, failing to replace obsolete equipment increases the unacceptable risk of complete loss of services.
Alternative 2) is to replace worn out equipment with poor, cheap substitutes but this also engenders completely unacceptable risk.

Project No: **96828527** **CPR PCs 2027**

Project Estimate Approach	Project estimates are derived from a combination of key, trusted vendor quotes as well as internal expertise and past experience with similar efforts.

Project No: **96828527** **CPR PCs 2027**

Customer Benefit	PNM customers reap benefits of reliability and system performance when crucial employee computer tools that delivers company services are in top-flight working condition.

Project No: **96828527** **CPR PCs 2027**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96828527** **CPR PCs 2027**

General Services

Reliability & Resiliency

In today's highly automated, computerized world, PNM's business is extremely dependent on safe, secure, and reliable operations. Employee computing assets replaced at end-of-life by this blanket project are key to ensuring operations are not disrupted.

Safety & Security

In today's highly automated, computerized world, PNM's business is extremely dependent on safe, secure, and reliable operations. Employee computing assets replaced at end-of-life by this blanket project are key to ensuring operations are secure.

Technology Advancements

Project No: 96828527 CPR PCs 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828527** **CPR PCs 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	4,545	4,545	4,545	4,545	4,545
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	63,752	63,752	63,752	63,752
370: Outside Services	-	-	-	31,942	59,784	59,784	59,784
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	18	323	974	1,746	2,505
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	364	364	364	364	364
914: Pension and Benefits	-	-	1,069	1,069	1,069	1,069	1,069
915: Injuries and Damages	-	-	99	99	99	99	99
921: Stores Load	-	-	-	2,083	2,083	2,083	2,083
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	6,094	104,177	132,670	133,442	134,201

Project No: **96828527** **CPR PCs 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	4,545	4,545	4,545	36,364
120: Overtime-General	-	-	-	-
350: Material Issues-Major	63,752	63,752	63,752	446,266
370: Outside Services	59,784	59,784	59,784	390,647
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	3,175	3,914	4,663	17,317
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	364	364	364	2,909
914: Pension and Benefits	1,069	1,069	1,069	8,549
915: Injuries and Damages	99	99	99	789
921: Stores Load	2,083	2,083	2,083	14,584
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	134,871	135,611	136,359	917,425

Project No: 96828527 CPR PCs 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	36,364	4,545	4,545	4,545	50,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	446,266	63,752	63,752	126,230	700,000	-	-	-
370: Outside Services	390,647	59,784	59,784	59,784	570,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	17,317	5,302	6,042	7,394	36,055	-	-	-
610: Expenses - General	-	-	-	104,000	104,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,909	364	364	364	4,000	-	-	-
914: Pension and Benefits	8,549	1,069	1,069	1,069	11,755	-	-	-
915: Injuries and Damages	789	99	99	99	1,085	-	-	-
921: Stores Load	14,584	2,083	2,083	4,125	22,876	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,499,771)	(1,499,771)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	917,425	136,999	137,738	(1,192,162)	0	-	-	-

Project No: 96828527 CPR PCs 2027

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	50,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	700,000
370: Outside Services	-	-	-	-	-	-	570,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	36,055
610: Expenses - General	-	-	-	-	-	-	104,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,000
914: Pension and Benefits	-	-	-	-	-	-	11,755
915: Injuries and Damages	-	-	-	-	-	-	1,085
921: Stores Load	-	-	-	-	-	-	22,876
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,499,771)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: 96828548 Dark Trace ELA 2028

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2028

Estimated Completion Date 5/31/2028

Description

The Dark Trace Enterprise License Agreement (ELA) project is a renewal of a capitalizable three-year enterprise license agreement for internal network security monitoring required by new NERC-CIP rules. The Dark Trace system provides threat intelligence, hunting, and mitigation capability. It is used on PNM's transmission operations technology network.

Project No: 96828548 Dark Trace ELA 2028

Project Need Justification

The Darktrace Enterprise License Agreement is required to maintain cybersecurity monitoring capabilities that support compliance with new NERC Critical Infrastructure Protection (CIP) requirements governing the protection of critical utility systems. Darktrace provides continuous monitoring of network activity within PNM's transmission operations technology environment, helping identify anomalous behavior, potential intrusions, and emerging cybersecurity threats before they can impact critical systems. As cyber threats continue to evolve in sophistication and frequency, maintaining advanced threat detection capabilities is essential to protecting operational technology networks that support reliable grid operations. Failure to renew the Darktrace platform would reduce visibility into network activity, limit the organization's ability to rapidly detect potential threats, and increase cybersecurity and regulatory compliance risks within critical operational environments.

Project No: **96828548** **Dark Trace ELA 2028**

Project Alternatives

Alternative 1) Allow the Darktrace Enterprise License Agreement to expire and continue relying on existing security tools without a dedicated network threat detection platform. This alternative was considered but not selected because it would reduce the organization's ability to identify suspicious network activity, detect emerging threats, and satisfy monitoring requirements associated with evolving NERC CIP obligations.

Alternative 2) Replace Darktrace with another network detection and response solution. Alternative products were evaluated as part of ongoing cybersecurity technology assessments; however, transitioning to another platform would require new integrations, implementation activities, testing, training, and operational migration efforts. The anticipated costs and implementation risks associated with replacing a functioning platform were determined to outweigh the potential benefits.

Alternative 3) Renew the Darktrace Enterprise License Agreement. This alternative was selected because it maintains continuity of security operations, preserves existing network monitoring capabilities, supports compliance with NERC CIP requirements, and provides the most efficient and cost-effective method for sustaining advanced threat detection capabilities within the transmission operations technology environment.

Project No: **96828548** **Dark Trace ELA 2028**

Project Estimate Approach	Estimates for the Dark Trace ELA project derive from vendor quotes and industry expertise sought from leading consultants such as Ernst and Young and Gartner.

Project No: **96828548** **Dark Trace ELA 2028**

Customer Benefit	Customers benefit from investments that strengthen the security and reliability of the systems supporting electric transmission operations. Darktrace continuously monitors network activity and helps identify potential cybersecurity threats at an early stage, allowing PNM to investigate and contain suspicious activity before it can spread to critical operational technology systems. Earlier detection and response reduces the likelihood that a cybersecurity incident could disrupt utility operations, impact electric service reliability, or require costly recovery activities. By improving visibility into threats and supporting the protection of transmission-related systems, the project helps maintain reliable electric service while reducing the operational and financial impacts associated with significant cybersecurity events.

Project No: **96828548** **Dark Trace ELA 2028**

Primary Value Driver	Reliability & Resiliency
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828548** **Dark Trace ELA 2028**

General Services

Reliability & Resiliency

A principal benefit for customers of the Dark Trace ELA project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Safety & Security

One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources. AI presents special new, serious challenges to cybersecurity, requiring tools such as this to help mitigate these threats.

Technology Advancements

PNM is very aware of the promise and the significant potential threat posed by rapid improvements in artificial intelligence. PNM works closely with expert consultants to leverage AI capabilities to defend its business from these new potentially damaging threats.

Project No: 96828548 Dark Trace ELA 2028

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828548** **Dark Trace ELA 2028**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828548 Dark Trace ELA 2028

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96828548 Dark Trace ELA 2028

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	667
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	2
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	53
914: Pension and Benefits	-	-	-	-	-	-	-	157
915: Injuries and Damages	-	-	-	-	-	-	-	14
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	894

Project No: **96828548** **Dark Trace ELA 2028**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	667	667	-	-	-	-	2,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	780,000	-	-	-	-	780,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	7	2,168	-	-	-	-	2,178
610: Expenses - General	-	7,000	-	-	-	-	7,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	53	53	-	-	-	-	160
914: Pension and Benefits	157	157	-	-	-	-	470
915: Injuries and Damages	14	14	-	-	-	-	43
921: Stores Load	-	25,490	-	-	-	-	25,490
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	(817,342)	-	-	-	-	(817,342)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	898	(1,792)	-	-	-	-	-

Project No: 96828567 Shadow IT Alerting and ID Ph 1 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	85%
	Denton (TX)	15%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Shadow IT Alerting and Identification Ph. 1 project implements discovery tools to identify unauthorized applications and services. Today's rapidly changing and sophisticated artificial intelligence capabilities present greater challenges to sensitive systems just as PNM's. This project will select and implement a system that can provide much improved company visibility into unmanaged risk across all PNM computing environments.

Project No: 96828567 Shadow IT Alerting and ID Ph 1 2027

Project Need Justification	With today's rapidly increasing reliance, both within PNM and with its vendors, on artificial intelligence, many benefits accrue; but risks also increase including those with potentially severe consequences such as loss of capabilities. The Shadow IT Alerting and ID Ph. 1 project expects to install cutting edge capabilities to help PNM assess and manage unknown new risks introduced to our supply lines and required vendor services through the use a AI by others that PNM cannot directly manage itself. Failure to implement these protective systems and measures creates an unacceptable vulnerability to threats.

Project No: **96828567** **Shadow IT Alerting and ID Ph 1 2027**

Project Alternatives

Alternative 1) Continue relying on existing manual processes and periodic reviews to identify unauthorized applications, cloud services, and technology assets. This alternative was considered but not selected because manual discovery processes can be time-consuming, inconsistent, and less effective at identifying rapidly deployed or unmanaged services throughout the enterprise. As the technology environment continues to expand, manual approaches become increasingly difficult to scale and maintain.

Alternative 2) Implement automated shadow IT discovery and alerting capabilities. This alternative was selected because it provides continuous visibility into unauthorized applications, cloud services, and unmanaged technology assets across the enterprise. Automated discovery improves the organization's ability to identify potential risks, evaluate security and compliance exposure, and take corrective action before unmanaged services create operational, cybersecurity, or regulatory concerns. This approach represents the most efficient and effective method for managing technology risk associated with shadow IT.

Project No: **96828567** **Shadow IT Alerting and ID Ph 1 2027**

Project Estimate Approach	Estimates for the Shadow IT Alerting and ID Ph. 1 project derive from industry expertise sought from leading consultants such as Ernst and Young, combined with PNM's own experience implementing similar types of systems.

Project No: **96828567** **Shadow IT Alerting and ID Ph 1 2027**

Customer Benefit	Customers benefit from improved protection of sensitive information and stronger governance of the systems that support utility operations. Shadow IT discovery tools help identify applications, cloud services, and data repositories that may have been deployed without appropriate security review, governance, or oversight. By improving visibility into where company and customer information resides, PNM can evaluate these services, apply appropriate security controls, and remove or remediate unauthorized risks when necessary. These capabilities reduce the likelihood of customer information being exposed through unmanaged systems, improve the organization's ability to protect sensitive data, and strengthen the overall security and reliability of the technology environment that supports electric operations and customer services.

Project No: 96828567 Shadow IT Alerting and ID Ph 1 2027

Primary Value Driver	Reliability & Resiliency
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828567** **Shadow IT Alerting and ID Ph 1 2027**

General Services

Reliability & Resiliency	A principal benefit for customers of the Shadow IT Alerting and ID Ph. 1 project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.
Safety & Security	One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources. AI presents special new, serious challenges to cybersecurity, requiring tools such as this to help mitigate these threats.
Technology Advancements	PNM is very aware of the promise and the significant potential threat posed by rapid improvements in artificial intelligence. PNM works closely with expert consultants to leverage AI capabilities to defend its business from these new potentially damaging threats.

Project No: 96828567 Shadow IT Alerting and ID Ph 1 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828567** **Shadow IT Alerting and ID Ph 1 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	4,545	4,545	4,545	4,545	4,545
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	13,636	13,636	13,636	13,636	13,636
370: Outside Services	-	-	13,364	13,364	13,364	13,364	13,364
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	97	280	465	668	863
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	364	364	364	364	364
914: Pension and Benefits	-	-	1,069	1,069	1,069	1,069	1,069
915: Injuries and Damages	-	-	99	99	99	99	99
921: Stores Load	-	-	446	446	446	446	446
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	33,619	33,802	33,987	34,190	34,385

Project No: **96828567** **Shadow IT Alerting and ID Ph 1 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	4,545	4,545	4,545	36,364
120: Overtime-General	-	-	-	-
350: Material Issues-Major	13,636	13,636	13,636	109,091
370: Outside Services	13,364	13,364	13,364	106,909
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	1,029	1,218	1,410	6,030
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	364	364	364	2,909
914: Pension and Benefits	1,069	1,069	1,069	8,549
915: Injuries and Damages	99	99	99	789
921: Stores Load	446	446	446	3,565
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	34,551	34,740	34,932	274,206

Project No: 96828567 Shadow IT Alerting and ID Ph 1 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	36,364	4,545	4,545	4,545	50,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	109,091	13,636	13,636	13,636	150,000	-	-	-
370: Outside Services	106,909	13,364	13,364	13,364	147,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	6,030	1,569	1,758	1,990	11,348	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,909	364	364	364	4,000	-	-	-
914: Pension and Benefits	8,549	1,069	1,069	1,069	11,755	-	-	-
915: Injuries and Damages	789	99	99	99	1,085	-	-	-
921: Stores Load	3,565	446	446	446	4,902	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(380,090)	(380,090)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	274,206	35,091	35,280	(344,578)	(0)	-	-	-

Project No: **96828567** **Shadow IT Alerting and ID Ph 1 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	50,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	150,000
370: Outside Services	-	-	-	-	-	-	147,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	11,348
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,000
914: Pension and Benefits	-	-	-	-	-	-	11,755
915: Injuries and Damages	-	-	-	-	-	-	1,085
921: Stores Load	-	-	-	-	-	-	4,902
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(380,090)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96828646 CPR Cybersecurity 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	85%
	Denton (TX)	15%

Estimated Start Date 2/1/2026

Estimated Completion Date 12/31/2026

Description

The Computer Platform Refresh (CPR) Cybersecurity project is an annual blanket effort designed to replace existing components at end-of-life that support PNM's efforts to combat illegitimate access to our networks, computer systems, and telecommunications infrastructure. Old equipment replaced under this project will be replaced with new functional equivalent equipment. Equipment refreshed under this blanket includes smaller firewalls and security system component license renewals. This project covers equipment replacements in 2026.

Project No: 96828646 CPR Cybersecurity 2026

Project Need Justification	Each of the many individual components of PNM's cybersecurity infrastructure has a limited lifespan due both to wear and tear and to obsolescence as new capabilities address new cybersecurity threats. This annual blanket replaces equipment that has reached end-of-life.

Project No: **96828646** **CPR Cybersecurity 2026**

Project Alternatives

Alternative 1) is to do nothing. Failing to replace obsolete equipment, especially in the area of cybersecurity, where threats are real, numerous, and can be completely debilitating to critical operations, greatly increases the unacceptable risk of complete loss of services.
Alternative 2) is replacing worn out equipment with poor, cheap substitutes, which also engenders completely unacceptable risk.

Project No: **96828646** **CPR Cybersecurity 2026**

Project Estimate Approach	Project estimates are derived from a combination of key, trusted vendor quotes as well as internal expertise and past experience with similar efforts.

Project No: **96828646** **CPR Cybersecurity 2026**

Customer Benefit	PNM customers reap benefits of reliability and system performance when cybersecurity that protects critical infrastructure that delivers company services is in top-flight working condition.

Project No: **96828646** **CPR Cybersecurity 2026**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96828646** **CPR Cybersecurity 2026**

General Services

Reliability & Resiliency

Safety & Security

In today's highly automated, computerized world, PNMR's business is extremely dependent on safe, secure, and reliable operations. Cybersecurity assets replaced at end-of-life by this blanket project are key to ensuring operations are not disrupted.

Technology Advancements

Project No: 96828646 CPR Cybersecurity 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	48	1,000	1,000	1,000	1,000	1,000	-	5,048
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	26,143	25,000	15,000	25,000	54,545	-	50,000	195,688
370: Outside Services	-	6,364	6,364	6,364	6,364	6,364	6,364	38,182
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	909	909	909	909	909	909	5,455
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,754	4,202	2,969	3,127	3,382	3,549	3,753	23,737
610: Expenses - General	1,071,579	(550,000)	-	-	-	-	-	521,579
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4	80	80	80	80	80	-	404
914: Pension and Benefits	11	218	218	218	218	218	-	1,102
915: Injuries and Damages	1	20	20	20	20	20	-	100
921: Stores Load	1,755	1,072	643	1,072	2,339	-	2,144	9,025
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(797,566)	(797,566)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,102,294	(511,135)	27,203	37,790	68,857	12,140	(734,396)	2,754

Project No: **96828646** **CPR Cybersecurity 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	5,048	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	195,688	-	-	-	-	-	-
370: Outside Services	38,182	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	5,455	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	23,737	-	-	-	-	-	-
610: Expenses - General	521,579	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	404	-	-	-	-	-	-
914: Pension and Benefits	1,102	-	-	-	-	-	-
915: Injuries and Damages	100	-	-	-	-	-	-
921: Stores Load	9,025	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(797,566)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	2,754	-	-	-	-	-	-

Project No: 96828646 CPR Cybersecurity 2026

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	5,048
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	195,688
370: Outside Services	-	-	-	38,182
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	5,455
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	23,737
610: Expenses - General	-	-	-	521,579
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	404
914: Pension and Benefits	-	-	-	1,102
915: Injuries and Damages	-	-	-	100
921: Stores Load	-	-	-	9,025
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(797,566)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	2,754

Project No: 96828646 CPR Cybersecurity 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	5,048	-	-	-	5,048	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	195,688	-	-	-	195,688	-	-	-
370: Outside Services	38,182	-	-	-	38,182	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	5,455	-	-	-	5,455	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	23,737	-	-	-	23,737	-	-	-
610: Expenses - General	521,579	-	-	-	521,579	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	404	-	-	-	404	-	-	-
914: Pension and Benefits	1,102	-	-	-	1,102	-	-	-
915: Injuries and Damages	100	-	-	-	100	-	-	-
921: Stores Load	9,025	-	-	-	9,025	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(797,566)	-	-	-	(797,566)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	2,754	-	-	-	2,754	-	-	-

Project No: **96828646** **CPR Cybersecurity 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	5,048
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	195,688
370: Outside Services	-	-	-	-	-	-	38,182
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	5,455
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	23,737
610: Expenses - General	-	-	-	-	-	-	521,579
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	404
914: Pension and Benefits	-	-	-	-	-	-	1,102
915: Injuries and Damages	-	-	-	-	-	-	100
921: Stores Load	-	-	-	-	-	-	9,025
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(797,566)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	2,754

Project No: 96828647 CPR Cybersecurity 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	85%
	Denton (TX)	15%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Computer Platform Refresh (CPR) Cybersecurity project is an annual blanket effort designed to replace existing components at end-of-life that support PNM's efforts to combat illegitimate access to our networks, computer systems, and telecommunications infrastructure. Old equipment replaced under this project will be replaced with new functional equivalent equipment. Equipment refreshed under this blanket includes smaller firewalls and security system component license renewals. This project covers equipment replacements in 2027.

Project No: 96828647 CPR Cybersecurity 2027

Project Need Justification	Each of the many individual components of PNM's cybersecurity infrastructure has a limited lifespan due both to wear and tear and to obsolescence as new capabilities address new cybersecurity threats. This annual blanket replaces equipment that has reached end-of-life.

Project No: **96828647** **CPR Cybersecurity 2027**

Project Alternatives

Alternative 1) is to do nothing. Failing to replace obsolete equipment, especially in the area of cybersecurity, where threats are real, numerous, and can be completely debilitating to critical operations, greatly increases the unacceptable risk of complete loss of services.
Alternative 2) is replacing worn out equipment with poor, cheap substitutes, which also engenders completely unacceptable risk.

Project No: **96828647** **CPR Cybersecurity 2027**

Project Estimate Approach	Project estimates are derived from a combination of key, trusted vendor quotes as well as internal expertise and past experience with similar efforts.

Project No: **96828647** **CPR Cybersecurity 2027**

Customer Benefit	PNM customers reap benefits of reliability and system performance when cybersecurity that protects critical infrastructure that delivers company services is in top-flight working condition.

Project No: **96828647** **CPR Cybersecurity 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96828647** **CPR Cybersecurity 2027**

General Services

Reliability & Resiliency

Safety & Security

In today's highly automated, computerized world, PNM's business is extremely dependent on safe, secure, and reliable operations. Cybersecurity assets replaced at end-of-life by this blanket project are key to ensuring operations are not disrupted.

Technology Advancements

Project No: 96828647 CPR Cybersecurity 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828647** **CPR Cybersecurity 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	4,545	4,545	4,545	4,545	4,545
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	68,182	68,182	68,182	68,182	68,182
370: Outside Services	-	-	54,545	54,545	54,545	54,545	54,545
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	380	1,096	1,819	2,611	3,374
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	364	364	364	364	364
914: Pension and Benefits	-	-	1,069	1,069	1,069	1,069	1,069
915: Injuries and Damages	-	-	99	99	99	99	99
921: Stores Load	-	-	2,228	2,228	2,228	2,228	2,228
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	131,412	132,128	132,851	133,643	134,405

Project No: **96828647** **CPR Cybersecurity 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	4,545	4,545	4,545	36,364
120: Overtime-General	-	-	-	-
350: Material Issues-Major	68,182	68,182	68,182	545,455
370: Outside Services	54,545	54,545	54,545	436,363
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	4,021	4,760	5,510	23,571
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	364	364	364	2,909
914: Pension and Benefits	1,069	1,069	1,069	8,549
915: Injuries and Damages	99	99	99	789
921: Stores Load	2,228	2,228	2,228	17,825
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	135,052	135,792	136,542	1,071,825

Project No: 96828647 CPR Cybersecurity 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	36,364	4,545	4,545	4,545	50,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	545,455	68,182	68,182	68,182	750,000	-	-	-
370: Outside Services	436,363	54,545	54,545	54,546	600,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	23,571	6,133	6,873	7,944	44,522	-	-	-
610: Expenses - General	-	-	-	59,562	59,562	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,909	364	364	364	4,000	-	-	-
914: Pension and Benefits	8,549	1,069	1,069	1,069	11,755	-	-	-
915: Injuries and Damages	789	99	99	99	1,085	-	-	-
921: Stores Load	17,825	2,228	2,228	2,228	24,510	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,545,434)	(1,545,434)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,071,825	137,165	137,905	(1,346,895)	0	-	-	-

Project No: 96828647 CPR Cybersecurity 2027

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	50,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	750,000
370: Outside Services	-	-	-	-	-	-	600,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	44,522
610: Expenses - General	-	-	-	-	-	-	59,562
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,000
914: Pension and Benefits	-	-	-	-	-	-	11,755
915: Injuries and Damages	-	-	-	-	-	-	1,085
921: Stores Load	-	-	-	-	-	-	24,510
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,545,434)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: 96828657 DC Storage Backup Modern 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	85%
	Denton (TX)	15%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Datacenter Storage and Immutable Backup Modernization project will greatly improve primary and secondary data storage services at PNM's datacenters by separating performance, backup, and archive use cases, while implementing immutable (uncorruptible) backup repositories and validated recovery workflows for critical services. This initiative improves application performance consistency, strengthens ransomware resilience, supports faster restoration, and ensures storage investments are aligned to workload needs rather than one-size-fits-all design decisions.

Project No: 96828657 DC Storage Backup Modern 2027

Project Need Justification

In many cases, the primary target of nefarious penetration in business systems are the data which can be valuable in itself and which, if corrupted or locked out, can render a company completely incapable of running its core functions. PNM currently has adequate data storage protection and backup strategies; however, these are rapidly becoming insufficient in today's artificial intelligence-enhanced threat environment. This project will provide the latest tools and techniques to greatly improve the company's resilience to data threats.

Project No: **96828657** **DC Storage Backup Modern 2027**

Project Alternatives

Alternative 1) Continue operating the existing storage and backup environment and replace components only as equipment reaches failure or support limitations. This alternative was considered but not selected because it would increase operational risk, extend reliance on aging technologies, reduce recovery capabilities, and potentially lengthen restoration times during a cybersecurity incident, hardware failure, or other disruption.

Alternative 2) Replace storage infrastructure without implementing immutable backup repositories or validated recovery workflows. While this approach would address certain hardware lifecycle concerns, it would not provide the enhanced ransomware protection, recovery assurance, or operational resiliency offered by a modernized architecture. This alternative was determined to provide limited long-term risk reduction relative to the planned solution.

Alternative 3) Implement the Datacenter Storage and Immutable Backup Modernization project. This alternative was selected because it modernizes primary and secondary storage platforms, introduces immutable backup capabilities, validates recovery processes, improves ransomware resilience, and better aligns storage technologies with the performance, backup, and archive requirements of the organization's critical systems.

Project No: **96828657** **DC Storage Backup Modern 2027**

Project Estimate Approach	Project estimates for the Datacenter Storage and Immutable Backup Modernization project were developed using guidance from industry advisors and technology analysts, including Gartner, combined with vendor budgetary proposals, infrastructure architecture assessments, and PNM's historical experience implementing enterprise storage, backup, and disaster recovery technologies. Cost assumptions were informed by prior data center modernization initiatives, anticipated capacity and performance requirements, implementation complexity, and the resources necessary to deploy, test, and support the proposed solution. The estimate reflects expected expenditures for hardware, software, implementation services, internal labor, and project management activities.

Project No: **96828657** **DC Storage Backup Modern 2027**

Customer Benefit	Customers benefit from improved resiliency and recoverability of the technology systems that support utility operations, customer service, financial transactions, and grid management activities. The Datacenter Storage and Immutable Backup Modernization project introduces immutable backups and validated recovery workflows that help ensure critical data can be restored quickly and accurately following a cybersecurity incident, hardware failure, or other disruption. Recovery procedures that are routinely tested and verified provide greater confidence that essential systems can be restored within expected timeframes rather than relying on assumptions. As a result, customers benefit from a reduced likelihood of prolonged service disruptions, improved continuity of critical utility operations, and lower long-term recovery costs associated with major technology incidents.

Project No: 96828657 DC Storage Backup Modern 2027

Primary Value Driver	Reliability & Resiliency
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828657** **DC Storage Backup Modern 2027**

General Services

Reliability & Resiliency

A principal benefit for customers of the DC Storage Backup Modernization Ph. 1 project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Safety & Security

One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources. AI presents special new, serious challenges to cybersecurity, requiring tools such as this to help mitigate these threats.

Technology Advancements

Project No: 96828657 DC Storage Backup Modern 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828657** **DC Storage Backup Modern 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	2,273	2,273	2,273	2,273	2,273
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	6,364	6,364	6,364	6,364	6,364
370: Outside Services	-	-	2,727	2,727	2,727	2,727	2,727
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	38	111	184	264	341
610: Expenses - General	-	-	909	909	909	909	909
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	182	182	182	182	182
914: Pension and Benefits	-	-	534	534	534	534	534
915: Injuries and Damages	-	-	49	49	49	49	49
921: Stores Load	-	-	208	208	208	208	208
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	13,285	13,357	13,430	13,510	13,587

Project No: **96828657** **DC Storage Backup Modern 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	2,273	2,273	2,273	18,182
120: Overtime-General	-	-	-	-
350: Material Issues-Major	6,364	6,364	6,364	50,909
370: Outside Services	2,727	2,727	2,727	21,818
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	406	481	557	2,383
610: Expenses - General	909	909	909	7,273
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	182	182	182	1,455
914: Pension and Benefits	534	534	534	4,275
915: Injuries and Damages	49	49	49	395
921: Stores Load	208	208	208	1,664
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	13,653	13,727	13,803	108,352

Project No: 96828657 DC Storage Backup Modern 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	18,182	2,273	2,273	2,273	25,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	50,909	6,364	6,364	6,364	70,000	-	-	-
370: Outside Services	21,818	2,727	2,727	2,727	30,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,383	620	695	787	4,484	-	-	-
610: Expenses - General	7,273	909	909	909	10,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,455	182	182	182	2,000	-	-	-
914: Pension and Benefits	4,275	534	534	534	5,878	-	-	-
915: Injuries and Damages	395	49	49	49	543	-	-	-
921: Stores Load	1,664	208	208	208	2,288	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(150,192)	(150,192)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	108,352	13,866	13,941	(136,159)	(0)	-	-	-

Project No: **96828657** **DC Storage Backup Modern 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	25,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	70,000
370: Outside Services	-	-	-	-	-	-	30,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	4,484
610: Expenses - General	-	-	-	-	-	-	10,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	2,000
914: Pension and Benefits	-	-	-	-	-	-	5,878
915: Injuries and Damages	-	-	-	-	-	-	543
921: Stores Load	-	-	-	-	-	-	2,288
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(150,192)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96828666 Dataminr Cyber ELA 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 11/1/2026

Estimated Completion Date 12/31/2026

Description

The Dataminr Cyber Enterprise License Agreement (ELA) project renews a capitalizable three-year enterprise license agreement for a cloud (not on premises) system PNM relies on to identify and track global cybersecurity threats. Used by leading companies around the world, Dataminr Cyber serves as an important clearinghouse for information about new threats PNM must be aware of and plan to mitigate any risks. PNM also uses a parallel Dataminr system for physical security threats. That is a separate license.

Project No: **96828666** **Dataminr Cyber ELA 2026**

Project Need Justification

PNM cybersecurity personnel rely on multiple sources of threat intelligence to identify, assess, and respond to emerging cybersecurity risks. Dataminr Cyber provides real-time visibility into global cybersecurity events, threat activity, and emerging vulnerabilities that may impact the company, allowing security teams to quickly evaluate potential risks and determine appropriate mitigation actions. The Dataminr Cyber Enterprise License Agreement is necessary to maintain access to these threat intelligence capabilities and support the organization's cybersecurity monitoring program. As cyber threats continue to increase in frequency and sophistication, timely awareness of emerging threats is critical to protecting business and operational systems. Failure to renew this license would significantly reduce PNM's visibility into developing cybersecurity threats, limit the organization's ability to proactively assess risks, and increase the likelihood that emerging threats could go undetected until they pose a greater risk to company operations.

Project No: **96828666** **Dataminr Cyber ELA 2026**

Project Alternatives

PNM cybersecurity experts rely on many sources of information about threats; however, Dataminr Cyber is recognized as a leading clearinghouse for authoritative information. Failing to renew this license would cripple PNM's awareness of and visibility into emerging threats and is therefore an unacceptable risk in the current environment.

Project No: 96828666 Dataminr Cyber ELA 2026

Project Estimate Approach	Project costs have been developed through careful negotiations with the vendor to ensure PNM is receiving appropriate value for its investment.

Project No: **96828666** **Dataminr Cyber ELA 2026**

Customer Benefit	Customers expect PNM to do all reasonable due diligence to protect their information and system reliability. Use of a global tracking and information system like Dataminr help PNM maintain awareness of and visibility into the latest threats to help ensure the company has the appropriate remedies available to detect, avoid, and repair any attacks that threaten its ability to deliver energy to customers.

Project No: 96828666 Dataminr Cyber ELA 2026

Primary Value Driver	Safety & Security
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828666** **Dataminr Cyber ELA 2026**

General Services

Reliability & Resiliency

A principal benefit for customers of the Dataminr Cyber ELA project is to help ensure reliability and resilience. Everyone is aware from recent exploits of both the targeting and the effect of malicious threats against utilities and infrastructure. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Safety & Security

One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources. AI presents special new, serious challenges to cybersecurity, requiring tools such as this to help mitigate these threats.

Technology Advancements

Project No: 96828666 Dataminr Cyber ELA 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	120,000	120,000	240,000
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	306	924	1,229
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	5,146	5,146	10,291
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(251,520)	(251,520)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	125,451	(125,451)	-

Project No: **96828666** **Dataminr Cyber ELA 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	240,000	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	1,229	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	10,291	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(251,520)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828666 Dataminr Cyber ELA 2026

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	240,000
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	1,229
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	10,291
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(251,520)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96828666 Dataminr Cyber ELA 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	240,000	-	-	-	240,000	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,229	-	-	-	1,229	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	10,291	-	-	-	10,291	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(251,520)	-	-	-	(251,520)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828666** **Dataminr Cyber ELA 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	240,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	1,229
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	10,291
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(251,520)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828667 System Process App Seg Ph 1 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The System Process Application Segregation Ph 1 project creates and implements advanced strategies that help prevent one system or application from being exploited to manipulate or damage another. It identifies critical assets and data flow and limits lateral movement between systems while improving containment readiness. One of the increasingly sophisticated exploits bad actors are attempting to deploy against critical infrastructure like utilities involves embedding or inserting malicious code that can trick one system into instruction that another do something it shouldn't or wouldn't ordinarily do. This is an effective way to sidestep previous cyber defenses, greatly aided by new uses of very sophisticated artificial intelligence. The System Process Application Segregation Ph 1 project will analyze, assess, consult with experts and identify and implement appropriate cost-effective new tools to help mitigate risks associated with this type of exploit.

Project No: 96828667 System Process App Seg Ph 1 2027

Project Need Justification

With today's rapidly increasing reliance, both within PNM and with its vendors, on artificial intelligence, many benefits accrue; but risks also increase including those with potentially severe consequences such as loss of capabilities. It is also the case that in a super efficient computing environment such as PNM's, systems and applications increasingly communicate with each other directly and automatically, without human intervention. The System Process Application Segregation Ph 1 project expects to implement cutting edge capabilities to help PNM manage and mitigate unknown new risks introduced through the use a AI. Failure to implement these protective systems and measures creates an unacceptable vulnerability to threats.

Project No: **96828667** **System Process App Seg Ph 1 2027**

Project Alternatives

Alternative 1) Continue operating existing application and system integration architectures without implementing additional segregation controls. This alternative was considered but not selected because it would allow critical systems and applications to remain more interconnected than necessary, increasing the potential for a compromise in one system to affect other systems through unauthorized communications or lateral movement. As cybersecurity threats become more sophisticated, reliance on existing controls alone was determined to provide insufficient risk reduction.

Alternative 2) Implement targeted system and application segregation capabilities that restrict communications between critical assets, applications, processes, and data flows. This alternative was selected because it improves containment of potential cybersecurity incidents, limits the ability of malicious code or unauthorized commands to propagate between systems, and provides greater visibility into system interactions. The selected approach strengthens the organization's ability to protect critical business and operational technology environments while reducing the risk of widespread impacts resulting from a single compromised system.

Project No: **96828667** **System Process App Seg Ph 1 2027**

Project Estimate Approach	Estimates for the System Process Application Segregation Ph 1 project derive from industry expertise sought from leading consultants such as Ernst and Young, combined with PNM's own experience implementing similar types of systems.

Project No: **96828667** **System Process App Seg Ph 1 2027**

Customer Benefit

Customers benefit from stronger protections around the technology systems that support utility operations and electric service delivery. The System Process Application Segregation Phase 1 project helps ensure that critical applications, processes, and data flows are appropriately isolated so that a compromise affecting one system is less likely to impact other connected systems. Limiting unnecessary communications between systems improves the organization's ability to contain cybersecurity incidents, reduce the scope of potential disruptions, and protect critical operational capabilities. As a result, customers benefit from a lower likelihood that a cybersecurity event could expand into a larger operational issue affecting reliability, service continuity, or the systems used to support utility operations.

Project No: **96828667** **System Process App Seg Ph 1 2027**

Primary Value Driver	Safety & Security
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828667** **System Process App Seg Ph 1 2027**

General Services

Reliability & Resiliency

Safety & Security

One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources. AI presents special new, serious challenges to cybersecurity, requiring tools such as this to help mitigate these threats.

Technology Advancements

Project No: 96828667 System Process App Seg Ph 1 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828667** **System Process App Seg Ph 1 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	2,727	2,727	2,727	2,727	2,727
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	18,182	18,182	18,182	18,182	18,182
370: Outside Services	-	-	17,273	17,273	17,273	17,273	17,273
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	115	332	551	791	1,022
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	218	218	218	218	218
914: Pension and Benefits	-	-	641	641	641	641	641
915: Injuries and Damages	-	-	59	59	59	59	59
921: Stores Load	-	-	594	594	594	594	594
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	39,810	40,027	40,246	40,486	40,717

Project No: **96828667** **System Process App Seg Ph 1 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	2,727	2,727	2,727	21,818
120: Overtime-General	-	-	-	-
350: Material Issues-Major	18,182	18,182	18,182	145,455
370: Outside Services	17,273	17,273	17,273	138,182
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	1,218	1,442	1,669	7,141
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	218	218	218	1,745
914: Pension and Benefits	641	641	641	5,129
915: Injuries and Damages	59	59	59	473
921: Stores Load	594	594	594	4,753
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	40,913	41,137	41,364	324,697

Project No: 96828667 System Process App Seg Ph 1 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	21,818	2,727	2,727	2,727	30,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	145,455	18,182	18,182	18,182	200,000	-	-	-
370: Outside Services	138,182	17,273	17,273	17,273	190,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	7,141	1,858	2,082	2,357	13,438	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,745	218	218	218	2,400	-	-	-
914: Pension and Benefits	5,129	641	641	641	7,053	-	-	-
915: Injuries and Damages	473	59	59	59	651	-	-	-
921: Stores Load	4,753	594	594	594	6,536	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(450,078)	(450,078)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	324,697	41,553	41,777	(408,026)	(0)	-	-	-

Project No: **96828667** **System Process App Seg Ph 1 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	30,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	200,000
370: Outside Services	-	-	-	-	-	-	190,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	13,438
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	2,400
914: Pension and Benefits	-	-	-	-	-	-	7,053
915: Injuries and Damages	-	-	-	-	-	-	651
921: Stores Load	-	-	-	-	-	-	6,536
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(450,078)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96828748 Adobe Licensing Agreement 2028

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2028

Estimated Completion Date 3/31/2028

Description

The Adobe Licensing Agreement project is a renewal of a capitalizable three-year enterprise license agreement for use of the international portable document format (pdf) capabilities so critical to modern business communication. PNM's enterprise license allows it to take advantage of many advanced pdf capabilities, useful in contracting, map creation, customer communications, and virtually every facet of the company's business.

Project No: 96828748 Adobe Licensing Agreement 2028

Project Need Justification

PNM relies extensively on Adobe Acrobat and associated PDF technologies to support contract administration, engineering drawings, map creation, regulatory filings, customer communications, records management, and a wide range of business processes. The Adobe Licensing Agreement is necessary to maintain access to advanced document creation, editing, security, workflow, electronic signature, and collaboration capabilities used throughout the organization. Renewal of the agreement ensures continued vendor support, software updates, security enhancements, and compatibility with current business applications and operating environments. Failure to renew the Adobe license agreement would reduce access to critical document management capabilities, increase operational inefficiencies, create document compatibility challenges, and limit the organization's ability to effectively manage and distribute business-critical information.

Project No: **96828748** **Adobe Licensing Agreement 2028**

Project Alternatives

Alternative 1) Allow the Adobe Licensing Agreement to expire and rely on basic document creation and viewing capabilities available in other productivity tools. This alternative was considered but not selected because many enterprise document management, collaboration, electronic signature, form processing, and security capabilities used throughout the organization are not fully replicated by standard office productivity applications. This approach would reduce functionality and negatively impact business processes that depend on advanced PDF capabilities.

Alternative 2) Replace Adobe products with an alternative commercial PDF and document management platform. Alternative solutions were evaluated; however, transitioning to another platform would require software migration, user retraining, process modifications, compatibility testing, and integration changes across numerous business functions. The additional costs and operational impacts associated with replacing an established enterprise platform were determined to outweigh any potential benefits.

Alternative 3) Renew the Adobe Licensing Agreement. This alternative was selected because it maintains continuity of operations, preserves existing workflows and integrations, provides access to ongoing vendor support and product enhancements, and represents the most effective and cost-efficient approach for supporting enterprise document management requirements.

Project No: **96828748** **Adobe Licensing Agreement 2028**

Project Estimate Approach	Project costs have been derived from a careful negotiation between PNM and Adobe, ensuring the company only licenses what it truly requires to help ensure cost is minimized.

Project No: **96828748** **Adobe Licensing Agreement 2028**

Customer Benefit	Customers benefit from the Adobe ELA renewal by having ready access to important documents such as new service designs, contracts, and outage information, regardless of their own computing platform.

Project No: 96828748 Adobe Licensing Agreement 2028

Primary Value Driver	Reliability & Resiliency
Compliance	
Customer Delivery	The Adobe ELA renewal helps PNM communicate effectively with customers regardless of which computer system they may be using.
Energy Transition	

Project No: **96828748** **Adobe Licensing Agreement 2028**

General Services

Reliability & Resiliency

Because of its ubiquity and universality, Adobe pdf capabilities are a business requirement. Being able to communicate effectively with customers and other business partners is substantially aided by advanced capabilities available through PNM's use of an appropriate enterprise license agreement.

Safety & Security

Technology Advancements

Project No: 96828748 Adobe Licensing Agreement 2028

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828748** **Adobe Licensing Agreement 2028**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96828748** **Adobe Licensing Agreement 2028**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96828748 Adobe Licensing Agreement 2028

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	667	667	667
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	725,000
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	2	7	2,113
610: Expenses - General	-	-	-	-	-	-	-	39,000
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	53	53	53
914: Pension and Benefits	-	-	-	-	-	157	157	157
915: Injuries and Damages	-	-	-	-	-	14	14	14
921: Stores Load	-	-	-	-	-	-	-	23,693
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	(792,489)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	894	898	(1,791)

Project No: **96828748** **Adobe Licensing Agreement 2028**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	2,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	725,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2,122
610: Expenses - General	-	-	-	-	-	-	39,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	160
914: Pension and Benefits	-	-	-	-	-	-	470
915: Injuries and Damages	-	-	-	-	-	-	43
921: Stores Load	-	-	-	-	-	-	23,693
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(792,489)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828757 Email Resil Modern Sec Ph 1 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2027

Estimated Completion Date 12/31/2027

Description

The Email Resilience and Modernization Ph. 1 project introduces new, advanced email filtering capabilities to PNM's communications systems. Email is one of the principal vulnerabilities for all companies due to sophisticated human engineering facilitated by nefarious actors' new use of advanced artificial intelligence. Systems must be deployed that help PNM employees avoid being tricked into divulging critical information and security details. PNM's current systems do an adequate job of traditional filtering to help alert employees when the source of an email is outside the company; but AI is making it far easier and more effective for bad actors to spoof and trick systems and employees into thinking something is safe when it is not. This project will augment PNM's current Email protections by introducing new AI defenses.

Project No: 96828757 Email Resil Modern Sec Ph 1 2027

Project Need Justification

With today's rapidly increasing reliance, both within PNM and with its vendors, on artificial intelligence, many benefits accrue; but risks also increase including those with potentially severe consequences such as loss of capabilities. The Email Resilience Modernization Ph. 1 project expects to install cutting edge capabilities to help PNM assess and manage new AI-enhanced risks. Failure to implement these protective systems and measures creates an unacceptable vulnerability to threats.

Project No: **96828757** **Email Resil Modern Sec Ph 1 2027**

Project Alternatives

Given the proven consequences of utilities failing to protect their infrastructure, PNM must act prudently but quickly and effectively to enhance its current Email defenses. Continuing to operate with the current tools is inadequate, vastly increasing the risks associated with one of the primary ways intruders gain access to business systems. Several top-tier tools using AI to counteract new AI-generated Email threats are emerging on the market. PNM experts will evaluate options carefully, in consultation with international consultants, and choose the most appropriate, cost-effective systems to mitigate these risks.

Project No: 96828757 Email Resil Modern Sec Ph 1 2027

Project Estimate Approach	Project estimates were developed using vendor budgetary pricing, market assessments of advanced email security technologies, and internal evaluations of deployment, integration, and operational support requirements. Cost assumptions were informed by PNM's experience implementing enterprise cybersecurity solutions of comparable scope and complexity, including email protection, threat detection, and security monitoring technologies. The estimate includes anticipated software licensing, implementation services, configuration activities, testing efforts, internal labor, and project management costs necessary to deploy and support the planned capabilities.

Project No: **96828757** **Email Resil Modern Sec Ph 1 2027**

Customer Benefit

Customers benefit from stronger protection of the technology systems and information that support utility operations, customer service functions, and business processes. The Email Resilience Modernization Phase 1 project introduces advanced email filtering and threat detection capabilities designed to identify malicious messages based on content, behavior, and intent rather than relying solely on traditional indicators such as sender reputation. These capabilities improve the organization's ability to detect sophisticated phishing attempts, business email compromise attacks, and other deceptive communications before they can reach employees or critical systems. As a result, customers benefit from a reduced likelihood that a successful email-based attack could impact systems used to support electric operations, customer account information, billing processes, or other critical business functions.

Project No: **96828757 Email Resil Modern Sec Ph 1 2027**

Primary Value Driver	Safety & Security
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828757** **Email Resil Modern Sec Ph 1 2027**

General Services

Reliability & Resiliency

Safety & Security

One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources. AI presents special new, serious challenges to cybersecurity, requiring tools such as this to help mitigate these threats.

Technology Advancements

PNM is very aware of the promise and the significant potential threat posed by rapid improvements in artificial intelligence. PNM works closely with expert consultants to leverage AI capabilities to defend its business from these new potentially damaging threats.

Project No: 96828757 Email Resil Modern Sec Ph 1 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 96828757 Email Resil Modern Sec Ph 1 2027

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	7,500	7,500	7,500	7,500
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	7,000	7,000	7,000	7,000
370: Outside Services	-	-	-	6,000	6,000	6,000	6,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	65	193	330	464
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	600	600	600	600
914: Pension and Benefits	-	-	-	1,763	1,763	1,763	1,763
915: Injuries and Damages	-	-	-	163	163	163	163
921: Stores Load	-	-	-	229	229	229	229
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	23,319	23,448	23,585	23,719

Project No: **96828757** **Email Resil Modern Sec Ph 1 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	7,500	7,500	7,500	52,500
120: Overtime-General	-	-	-	-
350: Material Issues-Major	7,000	7,000	7,000	49,000
370: Outside Services	6,000	6,000	6,000	42,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	582	713	845	3,193
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	600	600	600	4,200
914: Pension and Benefits	1,763	1,763	1,763	12,343
915: Injuries and Damages	163	163	163	1,139
921: Stores Load	229	229	229	1,601
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	23,837	23,968	24,100	165,976

Project No: 96828757 Email Resil Modern Sec Ph 1 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	52,500	7,500	7,500	7,500	75,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	49,000	7,000	7,000	7,000	70,000	-	-	-
370: Outside Services	42,000	6,000	6,000	6,000	60,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	3,193	958	1,088	1,246	6,484	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,200	600	600	600	6,000	-	-	-
914: Pension and Benefits	12,343	1,763	1,763	1,763	17,633	-	-	-
915: Injuries and Damages	1,139	163	163	163	1,628	-	-	-
921: Stores Load	1,601	229	229	229	2,288	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(239,032)	(239,032)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	165,976	24,212	24,343	(214,532)	0	-	-	-

Project No: **96828757** **Email Resil Modern Sec Ph 1 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	75,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	70,000
370: Outside Services	-	-	-	-	-	-	60,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	6,484
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,000
914: Pension and Benefits	-	-	-	-	-	-	17,633
915: Injuries and Damages	-	-	-	-	-	-	1,628
921: Stores Load	-	-	-	-	-	-	2,288
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(239,032)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: 96828767 TDM Decommissioning 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	85%
	Denton (TX)	15%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Time Division Multiplexing Decommissioning project will remove venerable legacy copper wire networks in favor of modern, all-fiber and 5G infrastructures. TDM systems were a previous, nearly universal telecommunications and networking standard that is now over 30 years old. As such, these components of PNM's infrastructure are far less efficient than modern fiber lines and far more prone to failure. PNM has steadily replaced older TDM components over the past ten years; this project seeks to eliminate the remaining parts.

Project No: 96828767 TDM Decommissioning 2027

Project Need Justification	Old TDM infrastructure can carry only a fraction of the quantity of data at far lower speeds than modern fiber optical equipment. It is also much more prone to failures that risk complete disruption of critical communications PNM relies on to deliver power safely and reliably. The remaining TDM infrastructure at PNM presents an unacceptable risk in modern utility management and must be upgraded to fiber.

Project No: **96828767 TDM Decommissioning 2027**

Project Alternatives

The only possible alternative to decommissioning TDM infrastructure would be to continue to defer the work. However, the longer PNM retains this vulnerable system and equipment, the greater the lost opportunities associated with far more efficient and reliable fiber and the greater the risk of significant, unacceptable failures. PNM must decommission TDM equipment and upgrade all remaining instances.

Project No: **96828767** **TDM Decommissioning 2027**

Project Estimate Approach	Project cost is derived from PNM familiarity and experience with previous upgrades from TDM to fiber.

Project No: **96828767** **TDM Decommissioning 2027**

Customer Benefit	Customers benefit from a more reliable and modern communications infrastructure supporting utility operations. The TDM Decommissioning project replaces legacy telecommunications technologies that are more than three decades old with modern fiber and 5G communications platforms that provide significantly greater bandwidth, improved performance, and increased reliability. The upgraded infrastructure supports faster transmission of operational data, improves fault detection and restoration activities, and reduces the likelihood of communications-related failures affecting utility operations. By eliminating aging and failure-prone technologies, the project helps improve service continuity, supports faster recovery from operational events, and strengthens the communications systems that enable the reliable delivery of electric service to customers.

Project No: 96828767 TDM Decommissioning 2027

Primary Value Driver	Reliability & Resiliency
Compliance	
Customer Delivery	PNM's customers expect the company to do the kind of reasonable due diligence to mitigate external risks represented by projects such as this.
Energy Transition	

Project No: **96828767** **TDM Decommissioning 2027**

General Services

Reliability & Resiliency

A principal benefit for customers of the TDM Decommissioning Ph. 1 project is to help ensure reliability and resilience. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Safety & Security

Technology Advancements

The technological improvements available through today's fiber optic infrastructure far surpass the limits inherent in older copper-based communications and networking infrastructure. PNM cannot afford the lost efficiencies and service risks associated directly with older technologies such as this and must upgrade this system.

Project No: 96828767 TDM Decommissioning 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828767** **TDM Decommissioning 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	4,545	4,545	4,545	4,545	4,545
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	18,182	18,182	18,182	18,182	18,182
370: Outside Services	-	-	18,182	18,182	18,182	18,182	18,182
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	128	369	613	879	1,136
610: Expenses - General	-	-	1,091	1,091	1,091	1,091	1,091
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	364	364	364	364	364
914: Pension and Benefits	-	-	1,069	1,069	1,069	1,069	1,069
915: Injuries and Damages	-	-	99	99	99	99	99
921: Stores Load	-	-	594	594	594	594	594
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	44,253	44,494	44,738	45,004	45,261

Project No: **96828767** **TDM Decommissioning 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	4,545	4,545	4,545	36,364
120: Overtime-General	-	-	-	-
350: Material Issues-Major	18,182	18,182	18,182	145,455
370: Outside Services	18,182	18,182	18,182	145,455
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	1,354	1,603	1,855	7,938
610: Expenses - General	1,091	1,091	1,091	8,727
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	364	364	364	2,909
914: Pension and Benefits	1,069	1,069	1,069	8,549
915: Injuries and Damages	99	99	99	789
921: Stores Load	594	594	594	4,753
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	45,479	45,728	45,981	360,938

Project No: 96828767 TDM Decommissioning 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	36,364	4,545	4,545	4,545	50,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	145,455	18,182	18,182	18,182	200,000	-	-	-
370: Outside Services	145,455	18,182	18,182	18,182	200,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	7,938	2,065	2,315	2,620	14,937	-	-	-
610: Expenses - General	8,727	1,091	1,091	1,091	12,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,909	364	364	364	4,000	-	-	-
914: Pension and Benefits	8,549	1,069	1,069	1,069	11,755	-	-	-
915: Injuries and Damages	789	99	99	99	1,085	-	-	-
921: Stores Load	4,753	594	594	594	6,536	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(500,314)	(500,314)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	360,938	46,190	46,440	(453,569)	-	-	-	-

Project No: **96828767** **TDM Decommissioning 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	50,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	200,000
370: Outside Services	-	-	-	-	-	-	200,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	14,937
610: Expenses - General	-	-	-	-	-	-	12,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,000
914: Pension and Benefits	-	-	-	-	-	-	11,755
915: Injuries and Damages	-	-	-	-	-	-	1,085
921: Stores Load	-	-	-	-	-	-	6,536
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(500,314)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828786 Gigamon Co-Termed ELA 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	50%
	Denton (TX)	50%

Estimated Start Date 6/3/2026

Estimated Completion Date 7/31/2026

Description

The Gigamon Co-Termed Enterprise License Agreement (ELA) project is a renewal and consolidation of equipment and licenses for critical IT security devices. Gigamon is installed at PNM's Aztec and Lewisville data centers and acts as an advanced network data packet broker and traffic distribution fabric. It sits between PNM's network traffic and its security or monitoring tools to streamline how data is inspected and analyzed and reduce potential data bottlenecks. PNM has maintained Gigamon devices and licenses in separate instances at its primary data centers. The current project seeks to consolidate, pro-rate, and derive savings associated with greater scale in a new upgrade and renewal package with the vendor.

Project No: **96828786** **Gigamon Co-Termed ELA 2026**

Project Need Justification	Like all data center infrastructure, Gigamon equipment has a defined lifespan that can result in decreased performance and lack of vendor support if devices are not upgraded periodically. Additionally, Gigamon equipment is underpinned by advanced software that must be upgraded and relicensed periodically. PNM seeks to gain efficiencies of scale and simpler lifecycle management by combining licensing for its NM and TX data centers while one is approaching end of life and the other is mid-cycle. Gigamon will pro rate costs to ensure no loss of value in PNM's investment in these critically important devices.

Project No: **96828786** **Gigamon Co-Termed ELA 2026**

Project Alternatives

PNM infrastructure experts continually monitor available offerings that perform the same or substantially similar functions as well as Gigamon does and does not see a more suitable option at this time. Gigamon is an industry standard because it is the top performing system for its purpose. Delaying upgrade is not a wise option at this time due to one data center's installation being at end of life.

Project No: **96828786** **Gigamon Co-Termed ELA 2026**

Project Estimate Approach	Project costs have been derived from a combination of negotiated vendor quotes combined with internal costs recognized in previous upgrades.

Project No: **96828786** **Gigamon Co-Termed ELA 2026**

Customer Benefit	Customers benefit from improved visibility into the technology systems that support utility operations, cybersecurity monitoring, and service delivery. Gigamon enables security, monitoring, and network management tools to efficiently inspect and analyze network traffic flowing through PNM's primary data centers without creating performance bottlenecks. By ensuring that security systems receive complete and timely network data, Gigamon improves the organization's ability to detect suspicious activity, investigate potential threats, and respond to cybersecurity incidents before they affect critical systems. These capabilities help reduce the likelihood that malicious activity could go undetected and impact business or operational systems that support electric service, resulting in improved reliability, resiliency, and protection of the infrastructure customers depend upon.

Project No: **96828786** **Gigamon Co-Termed ELA 2026**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96828786** **Gigamon Co-Termed ELA 2026**

General Services

Reliability & Resiliency

A principal benefit for customers of the Gigamon Co-Termed ELA project is to help ensure reliability and resilience. PNM's customers expect the company to do the kind of reasonable due diligence to mitigate these risks represented by projects such as this.

Safety & Security

Technology Advancements

Project No: 96828786 Gigamon Co-Termed ELA 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	83	-	-	-	-	-	-	83
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	546,000	-	-	-	-	-	546,000
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	0	1,422	-	-	-	-	-	1,422
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	7	-	-	-	-	-	-	7
914: Pension and Benefits	18	-	-	-	-	-	-	18
915: Injuries and Damages	2	-	-	-	-	-	-	2
921: Stores Load	-	23,412	-	-	-	-	-	23,412
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	(570,943)	-	-	-	-	-	(570,943)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	109	(109)	-	-	-	-	-	0

Project No: **96828786** **Gigamon Co-Termed ELA 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	83	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	546,000	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	1,422	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	7	-	-	-	-	-	-
914: Pension and Benefits	18	-	-	-	-	-	-
915: Injuries and Damages	2	-	-	-	-	-	-
921: Stores Load	23,412	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(570,943)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	0	-	-	-	-	-	-

Project No: 96828786 Gigamon Co-Termed ELA 2026

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	83
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	546,000
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	1,422
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	7
914: Pension and Benefits	-	-	-	18
915: Injuries and Damages	-	-	-	2
921: Stores Load	-	-	-	23,412
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(570,943)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	0

Project No: 96828786 Gigamon Co-Termed ELA 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	83	-	-	-	83	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	546,000	-	-	-	546,000	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,422	-	-	-	1,422	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	7	-	-	-	7	-	-	-
914: Pension and Benefits	18	-	-	-	18	-	-	-
915: Injuries and Damages	2	-	-	-	2	-	-	-
921: Stores Load	23,412	-	-	-	23,412	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(570,943)	-	-	-	(570,943)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	0	-	-	-	0	-	-	-

Project No: **96828786** **Gigamon Co-Termed ELA 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	83
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	546,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	1,422
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	7
914: Pension and Benefits	-	-	-	-	-	-	18
915: Injuries and Damages	-	-	-	-	-	-	2
921: Stores Load	-	-	-	-	-	-	23,412
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(570,943)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: **96828846** **Infrast-New Capabilities Prgrm 2026**

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	80%
	Denton (TX)	20%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The Infrastructure New Capabilities Program is a collection of one or more projects focused on adding new, necessary computer systems that support or improve functions carried out by PNM's transmission, delivery, and shared services management services. It is especially focused on exploring and introducing the latest developments, systems, and practices associated with data center operations. Examples of new capabilities funded by this program are Internet Security and Infrastructure Modernization efforts at PNM's data centers in NM and TX, End Point Compliance (ensuring desktop and laptop computers used by employees conform to current and ever-changing standards), and Splunk Enhancements (augmenting capabilities in PNMR's important Splunk log monitoring system). This project includes additions implemented in 2026.

Project No: 96828846 Infrast-New Capabilities Prgrm 2026

Project Need Justification

The Infrastructure New Capabilities Program exists to ensure smaller scale and unanticipated needs and opportunities for computing environment and data center management improvements have funding within the overall constraints of PNM's technology projects budget. Projects implemented under the Infrastructure New Capabilities Program go through a rigorous justification and benefit analysis to ensure solutions are necessary, cost effective, and efficient. Projects implemented under this program are each evaluated after completion to ensure stipulated goals for the project have been met.

Project No: **96828846** **Infrast-New Capabilities Prgrm 2026**

Project Alternatives

The only alternative is to do nothing. Not implementing new technology in the computing and data center environments risks bypassing new opportunities to further reduce PNMR's overall operating expenses, therefore was not considered.

Project No: 96828846 Infrast-New Capabilities Prgrm 2026

Project Estimate Approach	Projects implemented under the Infrastructure New Capabilities Program have cost estimates based on a combination of requests for proposals from qualified vendors and internal costs based on past experience with similar efforts within the context of PNM's overall technology projects budget.

Project No: **96828846** **Infrast-New Capabilities Prgrm 2026**

Customer Benefit

The Infrastructure New Capabilities Program helps ensure customers have reliable, efficient electric service by funding new efforts to introduce the latest improvements to data center technologies that help PNM manage its business as efficiently as possible. Projects implemented under the Infrastructure New Capabilities Program each have a documented set of expected customer benefits that are reviewed after project completion to ensure those benefits have been realized.

Project No: 96828846 Infrast-New Capabilities Prgrm 2026

Primary Value Driver	Technology Advancements
Compliance	As technological advancements continue to both provide unparalleled opportunities to maximize company performance but also challenge its best efforts to ensure PNM's safety and security, it is imperative that PNM take a proactive approach to learning about and strategically implementing new systems and practices. The Infrastructure New Capabilities Program provides a means to do that in a structured, cost-effective, and coordinated way.
Customer Delivery	
Energy Transition	

Project No: **96828846** **Infrast-New Capabilities Prgrm 2026**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

PNM's ability to provide power and services reliably and safely is extremely dependent on its ability to manage technology efficiently and cost-effectively. PNM is vigilant about ensuring its technology operations run at the highest possible level by continually working with peers and vendors to identify and, where appropriate, implement the latest, most effective tools.

Project No: 96828846 Infrast-New Capabilities Prgrm 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	1,648	1,000	1,000	1,000	1,000	1,000	1,000	7,648
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	814	25,000	45,000	-	-	-	-	70,814
370: Outside Services	51,617	8,333	8,333	8,333	8,333	8,333	8,333	101,617
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	1,667	1,667	1,667	1,667	1,667	1,667	10,000
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,296	517	751	926	669	721	789	5,669
610: Expenses - General	30,009	-	-	-	-	-	2,000	32,009
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	132	80	80	80	80	80	80	612
914: Pension and Benefits	360	218	218	218	218	218	218	1,670
915: Injuries and Damages	33	20	20	20	20	20	20	152
921: Stores Load	237	1,072	1,930	-	-	-	-	3,239
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(64,020)	-	-	(168,113)	(232,133)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	86,146	37,907	58,999	(51,776)	11,987	12,039	(154,006)	1,296

Project No: **96828846** **Infrast-New Capabilities Prgrm 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	7,648	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	70,814	-	-	-	-	-	-
370: Outside Services	101,617	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	10,000	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	5,669	-	-	-	-	-	-
610: Expenses - General	32,009	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	612	-	-	-	-	-	-
914: Pension and Benefits	1,670	-	-	-	-	-	-
915: Injuries and Damages	152	-	-	-	-	-	-
921: Stores Load	3,239	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(232,133)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	1,296	-	-	-	-	-	-

Project No: **96828846** **Infrast-New Capabilities Prgrm 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	7,648
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	70,814
370: Outside Services	-	-	-	101,617
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	10,000
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	5,669
610: Expenses - General	-	-	-	32,009
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	612
914: Pension and Benefits	-	-	-	1,670
915: Injuries and Damages	-	-	-	152
921: Stores Load	-	-	-	3,239
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(232,133)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	1,296

Project No: 96828846 Infrast-New Capabilities Prgrm 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	7,648	-	-	-	7,648	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	70,814	-	-	-	70,814	-	-	-
370: Outside Services	101,617	-	-	-	101,617	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	10,000	-	-	-	10,000	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	5,669	-	-	-	5,669	-	-	-
610: Expenses - General	32,009	-	-	-	32,009	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	612	-	-	-	612	-	-	-
914: Pension and Benefits	1,670	-	-	-	1,670	-	-	-
915: Injuries and Damages	152	-	-	-	152	-	-	-
921: Stores Load	3,239	-	-	-	3,239	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(232,133)	-	-	-	(232,133)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,296	-	-	-	1,296	-	-	-

Project No: **96828846** **Infrast-New Capabilities Prgrm 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	7,648
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	70,814
370: Outside Services	-	-	-	-	-	-	101,617
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	10,000
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	5,669
610: Expenses - General	-	-	-	-	-	-	32,009
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	612
914: Pension and Benefits	-	-	-	-	-	-	1,670
915: Injuries and Damages	-	-	-	-	-	-	152
921: Stores Load	-	-	-	-	-	-	3,239
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(232,133)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	1,296

Project No: 96828857 Endpoint Hardening Ph 1 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

Estimated Start Date 3/1/2027

Estimated Completion Date 12/31/2027

County %				
Bernalillo	50%	Counties < 1%	20%	
Denton (TX)	15%			
Santa Fe	5%			
Dona Ana	5%			
Sandoval	5%			

Description

The Endpoint Hardening Ph 1 project establishes and automates baseline configurations to staff computers that are aligned to rapidly evolving security standards. With increased abuse of AI by nefarious actors seeking to intrude into or damage PNM operations, threats received via staff computers is a major potential vulnerability the company must mitigate. Modern threats go far beyond simple viruses or malware; therefore, computer endpoints must become increasingly "hardened" through increasingly sophisticated defenses without overly compromising the efficiency of staff. This project is the first of two anticipated phases that will implement increasing protections to defend against bad actors.

Project No: **96828857** **Endpoint Hardening Ph 1 2027**

Project Need Justification

With today's rapidly increasing reliance, both within PNM and with its vendors, on artificial intelligence, many benefits accrue; but risks also increase including those with potentially severe consequences such as loss of capabilities. The Endpoint Hardening Ph. 1 project expects to install cutting edge capabilities to help PNM manage end user computing risks introduced through the use a AI. Failure to implement these protective systems and measures creates an unacceptable vulnerability to threats.

Project No: **96828857** **Endpoint Hardening Ph 1 2027**

Project Alternatives

Were PNM to continue business as usual without addressing the vulnerabilities leading experts have proven exist in today's new AI-driven and capable business environment, it would introduce new, unacceptable risks to its business. It is not practical or cost-effective for PNM to assume all capabilities within the company and thereby eliminate reliance and possible vulnerability to cyber risks from external sources; therefore, the responsible course of action is to implement proven systems capabilities that can eliminate or mitigate those risks.

Project No: **96828857** **Endpoint Hardening Ph 1 2027**

Project Estimate Approach	Estimates for the Endpoint Hardening Ph. 1 project derive from industry expertise sought from leading consultants such as Ernst and Young, combined with PNM's own experience implementing similar types of systems.

Project No: **96828857** **Endpoint Hardening Ph 1 2027**

Customer Benefit	Customers benefit from stronger protection of the technology systems that support utility operations, customer service functions, and the management of sensitive information. The Endpoint Hardening Phase 1 project establishes and enforces secure baseline configurations across employee workstations and computing devices, reducing opportunities for malicious software, unauthorized applications, and other attack methods to gain access to company systems. By consistently applying security standards across the enterprise, the project reduces the likelihood that a compromised endpoint could be used to access critical operational systems, customer account information, or other sensitive data. These improvements help contain cybersecurity threats before they spread, resulting in a lower risk of service disruptions, data exposure incidents, or operational impacts that could affect customers.

Project No: **96828857** **Endpoint Hardening Ph 1 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96828857** **Endpoint Hardening Ph 1 2027**

General Services

Reliability & Resiliency

Safety & Security

One of PNM's highest priorities is protection of our cyber assets, including data, servers, networks, and many other interdependent communications systems and devices. This is critical not only for the protection of PNM's customer data and proprietary business interests, but protection of the entire national grid. PNM invests heavily in top-tier cyber protections, sometimes overlapping systems to ensure it has redundancy and resilience against manifold, increasingly complex threats it receives thousands of times daily from many sources. AI presents special new, serious challenges to cybersecurity, requiring tools such as this to help mitigate these threats. Staff computers are a primary vector for potential threats and therefore warrant special attention and protections without unduly compromising staff productivity.

Technology Advancements

Project No: 96828857 Endpoint Hardening Ph 1 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828857** **Endpoint Hardening Ph 1 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	7,500	7,500	7,500	7,500
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	2,000	2,000	2,000	2,000
370: Outside Services	-	-	-	21,500	21,500	21,500	21,500
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	94	279	477	671
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	600	600	600	600
914: Pension and Benefits	-	-	-	1,763	1,763	1,763	1,763
915: Injuries and Damages	-	-	-	163	163	163	163
921: Stores Load	-	-	-	65	65	65	65
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	33,685	33,870	34,068	34,262

Project No: **96828857** **Endpoint Hardening Ph 1 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	7,500	7,500	7,500	52,500
120: Overtime-General	-	-	-	-
350: Material Issues-Major	2,000	2,000	2,000	14,000
370: Outside Services	21,500	21,500	21,500	150,500
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	841	1,030	1,221	4,612
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	600	600	600	4,200
914: Pension and Benefits	1,763	1,763	1,763	12,343
915: Injuries and Damages	163	163	163	1,139
921: Stores Load	65	65	65	458
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	34,432	34,621	34,812	239,751

Project No: 96828857 Endpoint Hardening Ph 1 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	52,500	7,500	7,500	7,500	75,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	14,000	2,000	2,000	2,000	20,000	-	-	-
370: Outside Services	150,500	21,500	21,500	21,500	215,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	4,612	1,383	1,572	1,800	9,367	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,200	600	600	600	6,000	-	-	-
914: Pension and Benefits	12,343	1,763	1,763	1,763	17,633	-	-	-
915: Injuries and Damages	1,139	163	163	163	1,628	-	-	-
921: Stores Load	458	65	65	65	654	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(345,280)	(345,280)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	239,751	34,975	35,164	(309,889)	(0)	-	-	-

Project No: **96828857** **Endpoint Hardening Ph 1 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	75,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	20,000
370: Outside Services	-	-	-	-	-	-	215,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	9,367
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,000
914: Pension and Benefits	-	-	-	-	-	-	17,633
915: Injuries and Damages	-	-	-	-	-	-	1,628
921: Stores Load	-	-	-	-	-	-	654
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(345,280)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96828867 Texas Internet Egress via BGP 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Denton (TX)	100%	

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Texas Internet Egress via BGP 2027 project establishes the Lewisville facility as the primary Internet egress hub for Texas operations through the implementation of dual Internet service providers, diverse network paths, dual border routing infrastructure, and Border Gateway Protocol (BGP)-based routing policies. The project modernizes Internet connectivity by providing highly available external network access for business applications, cloud services, external business partners, and customer-facing systems. By implementing redundant carrier connectivity and intelligent route management, the solution improves resiliency, supports automated failover, reduces dependence on static routing configurations, and creates a scalable foundation for future network growth, provider diversification, and secure Internet access services.

Project No: 96828867 Texas Internet Egress via BGP 2027

Project Need Justification

TXNM's Texas operations require reliable access to cloud services, external applications, business partners, cybersecurity services, and Internet-based communications. Reliance on limited Internet connectivity paths or manual routing processes can increase operational risk and reduce the organization's ability to respond to network outages or service disruptions. The Texas Internet Egress via BGP 2027 project is needed to establish a resilient Internet connectivity architecture that improves availability, strengthens business continuity capabilities, and supports future operational requirements. By introducing carrier diversity, automated failover capabilities, and standardized external connectivity management, the project reduces single points of failure and improves the reliability of critical communications and network services.

Project No: **96828867** **Texas Internet Egress via BGP 2027**

Project Alternatives

Alternative 1) Continue operating with existing Internet connectivity architecture and routing configurations. This approach may limit resiliency, increase dependence on individual carriers or network paths, and reduce the organization's ability to quickly recover from provider outages or network failures.

Alternative 2) Add additional connectivity without implementing a standardized BGP-based architecture. While this option may improve bandwidth availability, it would not provide the same level of routing intelligence, failover automation, carrier diversity management, or long-term scalability.

Project No: **96828867** **Texas Internet Egress via BGP 2027**

Project Estimate Approach	Not required for projects with less than $250,000 of expenditures.

Project No: **96828867** **Texas Internet Egress via BGP 2027**

Customer Benefit

Customers benefit from TXNM's ability to maintain reliable communications and technology services that support utility operations and customer-facing business functions. The Texas Internet Egress via BGP 2027 project improves availability of network services by reducing dependence on individual service providers and supporting automated recovery from connectivity disruptions. Enhanced network resiliency helps maintain access to cloud applications, external services, communications systems, and business operations that support the delivery of safe and reliable electric service.

Project No: **96828867** **Texas Internet Egress via BGP 2027**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96828867** **Texas Internet Egress via BGP 2027**

General Services

Reliability & Resiliency

TXNM's ability to provide safe and reliable electric service depends on maintaining resilient network infrastructure capable of supporting critical business and operational systems. The Texas Internet Egress via BGP 2027 project strengthens reliability and resiliency by introducing redundant Internet connectivity, diverse carrier paths, intelligent routing controls, and automated failover capabilities. These improvements reduce operational risk, improve service availability, and enhance the organization's ability to maintain critical network services during maintenance activities, service provider disruptions, or other unexpected events.

Safety & Security

Technology Advancements

Project No: 96828867 Texas Internet Egress via BGP 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828867** **Texas Internet Egress via BGP 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	909	909	909	909	909
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	5,455	5,455	5,455	5,455	5,455
370: Outside Services	-	-	5,455	5,455	5,455	5,455	5,455
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	38	111	183	263	340
610: Expenses - General	-	-	909	909	909	909	909
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	73	73	73	73	73
914: Pension and Benefits	-	-	214	214	214	214	214
915: Injuries and Damages	-	-	20	20	20	20	20
921: Stores Load	-	-	178	178	178	178	178
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	13,250	13,322	13,395	13,475	13,552

Project No: **96828867** **Texas Internet Egress via BGP 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	909	909	909	7,273
120: Overtime-General	-	-	-	-
350: Material Issues-Major	5,455	5,455	5,455	43,636
370: Outside Services	5,455	5,455	5,455	43,636
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	405	480	556	2,377
610: Expenses - General	909	909	909	7,273
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	73	73	73	582
914: Pension and Benefits	214	214	214	1,710
915: Injuries and Damages	20	20	20	158
921: Stores Load	178	178	178	1,426
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	13,617	13,692	13,767	108,070

Project No: 96828867 Texas Internet Egress via BGP 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	7,273	909	909	909	10,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	43,636	5,455	5,455	5,455	60,000	-	-	-
370: Outside Services	43,636	5,455	5,455	5,455	60,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,377	618	693	784	4,473	-	-	-
610: Expenses - General	7,273	909	909	909	10,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	582	73	73	73	800	-	-	-
914: Pension and Benefits	1,710	214	214	214	2,351	-	-	-
915: Injuries and Damages	158	20	20	20	217	-	-	-
921: Stores Load	1,426	178	178	178	1,961	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(149,801)	(149,801)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	108,070	13,830	13,905	(135,805)	-	-	-	-

Project No: **96828867** **Texas Internet Egress via BGP 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	10,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	60,000
370: Outside Services	-	-	-	-	-	-	60,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	4,473
610: Expenses - General	-	-	-	-	-	-	10,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	800
914: Pension and Benefits	-	-	-	-	-	-	2,351
915: Injuries and Damages	-	-	-	-	-	-	217
921: Stores Load	-	-	-	-	-	-	1,961
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(149,801)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828926 Lifecycle Mgmt-Infra Prgrm 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	85%
	Denton (TX)	15%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The Lifecycle Management – Infrastructure Program 2026 provides funding for medium-sized infrastructure modernization and lifecycle replacement projects that support transmission, distribution, and shared services operations. The program focuses on upgrading critical technology platforms that have reached the end of their useful life or require modernization to remain secure, reliable, and supportable. Projects funded through this program typically involve greater complexity than routine equipment replacements but do not require the scope or resources associated with large enterprise initiatives. Examples may include infrastructure platform upgrades, directory services modernization, printing and device management improvements, systems management enhancements, and other foundational technology improvements that support ongoing business and utility operations.

Project No: 96828926 Lifecycle Mgmt-Infra Prgrm 2026

Project Need Justification

Technology infrastructure components have finite service lives and must be periodically upgraded or replaced to maintain reliability, cybersecurity protections, vendor supportability, and operational effectiveness. The Lifecycle Management – Infrastructure Program provides a structured funding mechanism for infrastructure projects that fall between routine asset replacement activities and large-scale technology transformations. By proactively modernizing aging systems, the program helps reduce operational risk, maintain compliance with technology standards, and ensure that critical infrastructure continues to support evolving business and utility requirements.

Project No: 96828926 Lifecycle Mgmt-Infra Prgrm 2026

Project Alternatives

Alternative 1) Continue operating aging infrastructure without performing lifecycle upgrades. This approach increases the risk of system failures, security vulnerabilities, compatibility issues, and higher long-term maintenance costs as technology becomes outdated.

Alternative 2) Address infrastructure issues only when failures occur. While this approach may defer expenditures, it is reactive in nature and can result in increased downtime, emergency expenditures, and operational disruptions.

Project No: **96828926** **Lifecycle Mgmt-Infra Prgrm 2026**

Project Estimate Approach	Cost estimates for projects funded under this program are developed through a combination of infrastructure assessments, vendor budgetary quotations, historical implementation costs, and internal engineering reviews. Each proposed project is evaluated individually to determine scope, technical requirements, implementation complexity, and expected business value. Estimates include anticipated hardware, software, implementation services, internal labor, and applicable project support costs needed to complete the planned modernization efforts.

Project No: **96828926** **Lifecycle Mgmt-Infra Prgrm 2026**

Customer Benefit

Customers benefit from PNM's ability to maintain reliable and secure technology infrastructure that supports utility operations, customer service functions, and business continuity requirements. Projects delivered through the Lifecycle Management – Infrastructure Program replace or modernize aging technology platforms before they negatively impact operations. These improvements help maintain system availability, improve supportability, reduce operational disruptions, and support the reliable delivery of electric service.

Project No: **96828926** **Lifecycle Mgmt-Infra Prgrm 2026**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96828926** **Lifecycle Mgmt-Infra Prgrm 2026**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

PNM's ability to provide safe and reliable electric service depends on maintaining stable and supportable technology infrastructure. The Lifecycle Management – Infrastructure Program improves reliability and resiliency by proactively replacing or upgrading aging systems that are essential to enterprise operations. By maintaining current, vendor-supported platforms and reducing technology obsolescence risks, the program helps ensure that critical technology services remain available and capable of supporting utility operations.

Project No: 96828926 Lifecycle Mgmt-Infra Prgrm 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	33,012	8,333	8,333	8,333	8,333	8,333	8,333	83,012
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	148,608	7,083	225,000	7,083	7,083	7,083	7,083	409,025
370: Outside Services	742,853	45,465	45,465	37,887	7,893	7,893	7,893	895,351
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	10,350	833	833	833	833	833	833	15,350
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	9,458	4,893	5,752	6,639	6,864	7,457	8,912	49,975
610: Expenses - General	-	-	-	-	-	200,000	307,000	507,000
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,641	667	667	667	667	667	667	6,641
914: Pension and Benefits	7,207	1,819	1,819	1,819	1,819	1,819	1,819	18,122
915: Injuries and Damages	657	166	166	166	166	166	166	1,652
921: Stores Load	2,625	304	9,648	304	304	304	304	13,792
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,990,462)	(1,990,462)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	957,412	69,563	297,684	63,732	33,962	234,556	(1,647,451)	9,458

Project No: **96828926** **Lifecycle Mgmt-Infra Prgrm 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	83,012	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	409,025	-	-	-	-	-	-
370: Outside Services	895,351	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	15,350	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	49,975	-	-	-	-	-	-
610: Expenses - General	507,000	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	6,641	-	-	-	-	-	-
914: Pension and Benefits	18,122	-	-	-	-	-	-
915: Injuries and Damages	1,652	-	-	-	-	-	-
921: Stores Load	13,792	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,990,462)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	9,458	-	-	-	-	-	-

Project No: **96828926** **Lifecycle Mgmt-Infra Prgrm 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	83,012
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	409,025
370: Outside Services	-	-	-	895,351
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	15,350
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	49,975
610: Expenses - General	-	-	-	507,000
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	6,641
914: Pension and Benefits	-	-	-	18,122
915: Injuries and Damages	-	-	-	1,652
921: Stores Load	-	-	-	13,792
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,990,462)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	9,458

Project No: 96828926 Lifecycle Mgmt-Infra Prgrm 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	83,012	-	-	-	83,012	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	409,025	-	-	-	409,025	-	-	-
370: Outside Services	895,351	-	-	-	895,351	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	15,350	-	-	-	15,350	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	49,975	-	-	-	49,975	-	-	-
610: Expenses - General	507,000	-	-	-	507,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	6,641	-	-	-	6,641	-	-	-
914: Pension and Benefits	18,122	-	-	-	18,122	-	-	-
915: Injuries and Damages	1,652	-	-	-	1,652	-	-	-
921: Stores Load	13,792	-	-	-	13,792	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,990,462)	-	-	-	(1,990,462)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	9,458	-	-	-	9,458	-	-	-

Project No: **96828926** **Lifecycle Mgmt-Infra Prgrm 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	83,012
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	409,025
370: Outside Services	-	-	-	-	-	-	895,351
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	15,350
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	49,975
610: Expenses - General	-	-	-	-	-	-	507,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,641
914: Pension and Benefits	-	-	-	-	-	-	18,122
915: Injuries and Damages	-	-	-	-	-	-	1,652
921: Stores Load	-	-	-	-	-	-	13,792
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,990,462)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	9,458

Project No: 96828927 Lifecycle Mgmt-Infra Prgrm 2027

Company:	007	PNMR Services Company
Location:	968	Corp Alloc-IT Infrastructure

Project Information

	County %	Bernalillo	85%
		Denton (TX)	15%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Lifecycle Management – Infrastructure Program 2027 supports the replacement, upgrade, and modernization of critical infrastructure technologies that are approaching end-of-life or no longer meet operational requirements. The program serves as a bridge between routine refresh initiatives and large strategic programs by funding targeted infrastructure improvements that enhance performance, maintainability, security, and operational supportability. Projects selected under the program may include platform upgrades, infrastructure consolidation efforts, management system enhancements, and other technology improvements that sustain the reliability of business and operational environments.

Project No: 96828927 Lifecycle Mgmt-Infra Prgrm 2027

Project Need Justification

As infrastructure technologies age, hardware and software components become more difficult to support, maintain, and secure. The Lifecycle Management – Infrastructure Program ensures PNM has a mechanism for addressing infrastructure modernization needs before aging systems create operational, cybersecurity, or supportability concerns. The program enables the organization to replace obsolete technologies, improve compatibility with modern platforms, and maintain alignment with infrastructure standards and lifecycle management practices.

Project No: **96828927** **Lifecycle Mgmt-Infra Prgrm 2027**

Project Alternatives

Alternative 1) Delay infrastructure replacement and modernization activities. This approach may temporarily reduce capital spending but increases the likelihood of unplanned outages, reduced supportability, and technology obsolescence.

Alternative 2) Perform isolated upgrades only when required by business needs or system failures. While this approach may address immediate concerns, it does not provide a long-term strategy for maintaining infrastructure health and often results in less efficient technology investment decisions.

Project No: 96828927 Lifecycle Mgmt-Infra Prgrm 2027

Project Estimate Approach	Project estimates are established through detailed evaluation of infrastructure replacement requirements, anticipated implementation activities, vendor pricing inputs, and organizational experience executing similar modernization projects. Financial projections are based on expected technology refresh needs, infrastructure roadmap priorities, and the resources required to successfully deploy and support replacement platforms. Estimates are reviewed and refined as project scope, technical requirements, and implementation approaches become more clearly defined.

Project No: 96828927 Lifecycle Mgmt-Infra Prgrm 2027

Customer Benefit

Customers benefit when critical technology infrastructure remains reliable, secure, and available to support utility operations. The Lifecycle Management – Infrastructure Program helps ensure that systems supporting communications, cybersecurity, data management, business applications, and operational functions continue to perform effectively. By reducing infrastructure-related risks and improving supportability, the program contributes to the dependable delivery of utility services.

Project No: **96828927** **Lifecycle Mgmt-Infra Prgrm 2027**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96828927** **Lifecycle Mgmt-Infra Prgrm 2027**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Maintaining reliable utility operations requires a strong foundation of well-supported technology infrastructure. The Lifecycle Management – Infrastructure Program strengthens resiliency by systematically addressing aging systems before they become operational liabilities. By improving technology stability, reducing infrastructure risk, and maintaining vendor-supported platforms, the program helps support continuous operation of critical business and utility systems.

Project No: 96828927 Lifecycle Mgmt-Infra Prgrm 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828927** **Lifecycle Mgmt-Infra Prgrm 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	1,818	1,818	1,818	1,818	1,818
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	15,455	15,455	15,455	15,455	15,455
370: Outside Services	-	-	909	909	909	909	909
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	56	161	268	385	497
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	145	145	145	145	145
914: Pension and Benefits	-	-	427	427	427	427	427
915: Injuries and Damages	-	-	39	39	39	39	39
921: Stores Load	-	-	505	505	505	505	505
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	19,355	19,461	19,567	19,684	19,796

Project No: **96828927** **Lifecycle Mgmt-Infra Prgrm 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	1,818	1,818	1,818	14,545
120: Overtime-General	-	-	-	-
350: Material Issues-Major	15,455	15,455	15,455	123,636
370: Outside Services	909	909	909	7,273
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	592	701	812	3,472
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	145	145	145	1,164
914: Pension and Benefits	427	427	427	3,420
915: Injuries and Damages	39	39	39	316
921: Stores Load	505	505	505	4,040
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	19,891	20,000	20,111	157,865

Project No: 96828927 Lifecycle Mgmt-Infra Prgrm 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	14,545	1,818	1,818	1,818	20,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	123,636	15,455	15,455	15,455	170,000	-	-	-
370: Outside Services	7,273	909	909	909	10,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	3,472	903	1,012	1,146	6,533	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,164	145	145	145	1,600	-	-	-
914: Pension and Benefits	3,420	427	427	427	4,702	-	-	-
915: Injuries and Damages	316	39	39	39	434	-	-	-
921: Stores Load	4,040	505	505	505	5,556	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(218,825)	(218,825)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	157,865	20,203	20,312	(198,380)	-	-	-	-

Project No: **96828927** **Lifecycle Mgmt-Infra Prgrm 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	20,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	170,000
370: Outside Services	-	-	-	-	-	-	10,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	6,533
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	1,600
914: Pension and Benefits	-	-	-	-	-	-	4,702
915: Injuries and Damages	-	-	-	-	-	-	434
921: Stores Load	-	-	-	-	-	-	5,556
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(218,825)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828946 Tech Adv-Future Cap Program 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The Technology Advancements – Future Capabilities Program 2026 provides funding for the evaluation, development, and implementation of emerging technologies that improve business operations, enhance system performance, strengthen cybersecurity, and support the long-term strategic objectives of PNM. The program is designed to enable the adoption of innovative technologies and pilot initiatives that demonstrate potential business value, operational efficiencies, or enhanced capabilities. Example initiatives may include artificial intelligence solutions, advanced analytics, cloud technologies, automation platforms, next-generation communications capabilities, and other emerging technologies that support utility operations and corporate functions.

Project No: 96828946 Tech Adv-Future Cap Program 2026

Project Need Justification

Technology continues to evolve rapidly, creating opportunities to improve operational performance, increase productivity, enhance decision-making, and strengthen service delivery. The Technology Advancements – Future Capabilities Program provides a structured mechanism for identifying, evaluating, and implementing technologies that may offer measurable benefits to the organization. Without a dedicated program, promising innovations may be delayed or overlooked, reducing the organization's ability to modernize technology services and capitalize on emerging opportunities. Each initiative funded through the program undergoes business, technical, and financial evaluation to ensure investments are justified, practical, and aligned with organizational priorities.

Project No: 96828946 Tech Adv-Future Cap Program 2026

Project Alternatives

Alternative 1) Continue operating existing technologies without pursuing emerging capabilities. This approach may limit opportunities to improve operational efficiency, modernize services, and address evolving business requirements.

Alternative 2) Evaluate new technologies only through standalone projects. While feasible, this approach may reduce organizational flexibility and slow the adoption of innovative solutions by requiring separate funding and approval processes for each opportunity.

Project No: 96828946 Tech Adv-Future Cap Program 2026

Project Estimate Approach	Project estimates are developed using preliminary solution assessments, vendor budgetary information, internal technical evaluations, and lessons learned from prior innovation initiatives. Proposed investments are evaluated against anticipated business benefits, implementation complexity, operational impacts, and available funding. Cost estimates are refined as project requirements mature and business cases are approved for execution.

Project No: **96828946** **Tech Adv-Future Cap Program 2026**

Customer Benefit

Customers benefit from PNM's ability to continuously improve the technology systems and processes that support utility operations. The program enables the adoption of innovative solutions that improve efficiency, strengthen reliability, enhance cybersecurity, and support better service delivery. By evaluating and implementing emerging technologies that provide measurable operational benefits, PNM is better positioned to deliver reliable, cost-effective, and responsive utility services to customers.

Project No: **96828946** **Tech Adv-Future Cap Program 2026**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96828946** **Tech Adv-Future Cap Program 2026**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

PNM's ability to provide safe and reliable electric service depends on maintaining technology platforms that evolve alongside changing business and operational requirements. The Technology Advancements – Future Capabilities Program enables the organization to evaluate and implement innovative technologies that improve operational effectiveness, strengthen system capabilities, and support long-term modernization objectives. By creating a pathway for emerging technologies to be assessed and deployed, the program helps position the organization for future growth and continuous improvement.

Project No: 96828946 Tech Adv-Future Cap Program 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	247	494	330	1,294	2,365
610: Expenses - General	-	-	-	100,000	-	-	391,354	491,354
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	(33,245)	-	(460,475)	(493,719)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	100,247	(32,750)	330	(67,826)	-

Project No: **96828946** **Tech Adv-Future Cap Program 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	2,365	-	-	-	-	-	-
610: Expenses - General	491,354	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(493,719)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96828946** **Tech Adv-Future Cap Program 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	2,365
610: Expenses - General	-	-	-	491,354
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(493,719)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96828946 Tech Adv-Future Cap Program 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,365	-	-	-	2,365	-	-	-
610: Expenses - General	491,354	-	-	-	491,354	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(493,719)	-	-	-	(493,719)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828946** **Tech Adv-Future Cap Program 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2,365
610: Expenses - General	-	-	-	-	-	-	491,354
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(493,719)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828947 Tech Adv-Future Cap Program 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 10/1/2027

Estimated Completion Date 12/31/2027

Description

The Technology Advancements – Future Capabilities Program 2027 supports strategic investments in emerging technologies that have the potential to improve operational performance, increase reliability, enhance customer service, and advance digital transformation initiatives throughout PNM. The program provides funding for technology pilots, proof-of-concept efforts, and targeted implementations that address evolving business challenges and opportunities. Potential projects may include intelligent automation, machine learning applications, advanced communications platforms, cloud-native technologies, predictive analytics, and other solutions that contribute to future operational excellence.

Project No: 96828947 Tech Adv-Future Cap Program 2027

Project Need Justification

The utility industry continues to experience rapid technological change driven by increasing operational complexity, cybersecurity requirements, customer expectations, and evolving business processes. The Technology Advancements – Future Capabilities Program allows PNM to investigate and apply new technologies that may improve efficiency, reduce costs, strengthen resiliency, and support better business outcomes. The program ensures that emerging solutions are evaluated through a disciplined process that considers financial value, technical feasibility, operational benefits, and strategic alignment before investments are approved.

Project No: 96828947 Tech Adv-Future Cap Program 2027

Project Alternatives

Alternative 1) Maintain the current technology portfolio without exploring emerging solutions. This approach may reduce near-term expenditures but could limit future operational improvements and reduce the organization's ability to adapt to changing business and industry requirements.

Alternative 2) Pursue innovation activities through ad hoc departmental initiatives. While this approach may support isolated improvements, it could lead to inconsistent governance, duplication of effort, and reduced coordination across the enterprise.

Project No: 96828947 Tech Adv-Future Cap Program 2027

Project Estimate Approach	Cost estimates are prepared using a combination of market research, vendor proposals, internal assessments, and historical experience with comparable technology initiatives. Financial projections consider anticipated implementation activities, infrastructure requirements, software licensing needs, and expected support services. Estimates are reviewed and adjusted as project scope becomes more clearly defined and as technology evaluations progress through established governance and approval processes.

Project No: **96828947** **Tech Adv-Future Cap Program 2027**

Customer Benefit

Customers benefit when PNM identifies and implements technologies that improve operational sustainability, enhance reliability, strengthen security, and support efficient service delivery. The Technology Advancements – Future Capabilities Program provides a structured process for introducing new capabilities that improve the performance of systems and services supporting utility operations. Successful technology innovations can contribute to improved operational reliability, enhanced responsiveness, and more efficient use of resources.

Project No: **96828947 Tech Adv-Future Cap Program 2027**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96828947** **Tech Adv-Future Cap Program 2027**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Technology innovation is an important component of PNM's strategy for maintaining reliable and efficient operations. The Technology Advancements – Future Capabilities Program promotes continuous improvement by enabling the evaluation and deployment of technologies that improve operational performance, simplify business processes, and support future modernization efforts. Through disciplined experimentation and measured adoption of emerging capabilities, the program helps create a sustainable pathway for advancing technology across the enterprise.

Project No: 96828947 Tech Adv-Future Cap Program 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828947** **Tech Adv-Future Cap Program 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96828947** **Tech Adv-Future Cap Program 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96828947 Tech Adv-Future Cap Program 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	1,149	3,453	5,893	10,495	-	-	-
610: Expenses - General	-	426,091	426,091	426,091	1,278,274	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,288,769)	(1,288,769)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	427,240	429,544	(856,785)	-	-	-	-

Project No: **96828947** **Tech Adv-Future Cap Program 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	10,495
610: Expenses - General	-	-	-	-	-	-	1,278,274
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,288,769)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828957 Enhance Auth Modern Ph 1 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2027

Estimated Completion Date 12/31/2027

Description

The Enhanced Authentication Modernization Phase 1 project strengthens identity security across PNM's technology environment by implementing modern authentication controls and improving overall identity hygiene. The project expands the use of multi-factor authentication (MFA), improves identity governance practices, enhances account protection mechanisms, and establishes foundational controls that reduce unauthorized access risks across business and operational systems. These improvements support a Zero Trust security approach by validating user identities more effectively, strengthening access protection, and reducing risks associated with compromised credentials. The project represents the first phase of a broader effort to modernize authentication and access security capabilities throughout the enterprise.

Project No: 96828957 Enhance Auth Modern Ph 1 2027

Project Need Justification

Identity-based attacks and credential compromise remain among the most common methods used to gain unauthorized access to enterprise systems. As PNM continues to expand digital services, cloud technologies, third-party integrations, and remote access capabilities, authentication controls must evolve to address increasingly sophisticated cybersecurity threats. The Enhanced Authentication Modernization Phase 1 project is needed to strengthen identity protections, improve user authentication processes, and reduce the likelihood of unauthorized access to critical systems and information. The project supports cybersecurity best practices by enhancing verification mechanisms, improving account security, and establishing a stronger foundation for future identity and access management initiatives.

Project No: 96828957 Enhance Auth Modern Ph 1 2027

Project Alternatives

Alternative 1) Continue operating with existing authentication and identity protection capabilities. While current controls provide baseline protection, this approach may leave the organization increasingly vulnerable to evolving credential-based attacks and identity-related cybersecurity threats.

Alternative 2) Expand authentication controls incrementally through independent system updates. Although this approach may provide limited improvements, it lacks a coordinated strategy and may result in inconsistent security controls across the enterprise.

Project No: 96828957 Enhance Auth Modern Ph 1 2027

Project Estimate Approach	Project estimates were developed through a review of authentication modernization requirements, anticipated deployment activities, technology solution evaluations, and internal cybersecurity planning efforts. Cost projections were informed by implementation experience from comparable identity security initiatives, market research on authentication technologies, and input from specialists experienced in identity and access management programs. The estimate reflects expected expenditures associated with software capabilities, integration activities, deployment services, user enablement efforts, and supporting infrastructure required to establish the foundational authentication modernization capabilities included within Phase 1.

Project No: **96828957** **Enhance Auth Modern Ph 1 2027**

Customer Benefit

Customers benefit from PNM's ability to protect the technology systems and information assets that support utility operations and customer service functions. The Enhanced Authentication Modernization Phase 1 project improves cybersecurity protections by reducing the risk of unauthorized access to critical systems and data. Stronger authentication controls help safeguard business operations from cyber threats that could disrupt services, impact operational reliability, or compromise sensitive information. These improvements support the continued delivery of safe and reliable electric service.

Project No: **96828957** **Enhance Auth Modern Ph 1 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96828957** **Enhance Auth Modern Ph 1 2027**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining strong cybersecurity protections throughout its technology environment. The Enhanced Authentication Modernization Phase 1 project improves security by strengthening identity verification capabilities, increasing protection of user accounts, and reducing exposure to credential-based cyber threats. By establishing modern authentication controls and improving identity hygiene practices, the project helps protect critical systems, supports cybersecurity resilience, and reduces risks that could impact utility operations or business continuity.

Technology Advancements

Project No: 96828957 Enhance Auth Modern Ph 1 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828957** **Enhance Auth Modern Ph 1 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	7,500	7,500	7,500	7,500
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	20,000	20,000	20,000	20,000
370: Outside Services	-	-	-	13,000	13,000	13,000	13,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	122	363	620	872
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	600	600	600	600
914: Pension and Benefits	-	-	-	1,763	1,763	1,763	1,763
915: Injuries and Damages	-	-	-	163	163	163	163
921: Stores Load	-	-	-	654	654	654	654
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	43,801	44,042	44,300	44,552

Project No: **96828957** **Enhance Auth Modern Ph 1 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	7,500	7,500	7,500	52,500
120: Overtime-General	-	-	-	-
350: Material Issues-Major	20,000	20,000	20,000	140,000
370: Outside Services	13,000	13,000	13,000	91,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	1,094	1,339	1,587	5,997
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	600	600	600	4,200
914: Pension and Benefits	1,763	1,763	1,763	12,343
915: Injuries and Damages	163	163	163	1,139
921: Stores Load	654	654	654	4,575
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	44,773	45,019	45,267	311,754

Project No: 96828957 Enhance Auth Modern Ph 1 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	52,500	7,500	7,500	7,500	75,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	140,000	20,000	20,000	20,000	200,000	-	-	-
370: Outside Services	91,000	13,000	13,000	13,000	130,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	5,997	1,799	2,044	2,340	12,180	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,200	600	600	600	6,000	-	-	-
914: Pension and Benefits	12,343	1,763	1,763	1,763	17,633	-	-	-
915: Injuries and Damages	1,139	163	163	163	1,628	-	-	-
921: Stores Load	4,575	654	654	654	6,536	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(448,976)	(448,976)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	311,754	45,479	45,724	(402,956)	-	-	-	-

Project No: **96828957** **Enhance Auth Modern Ph 1 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	75,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	200,000
370: Outside Services	-	-	-	-	-	-	130,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	12,180
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,000
914: Pension and Benefits	-	-	-	-	-	-	17,633
915: Injuries and Damages	-	-	-	-	-	-	1,628
921: Stores Load	-	-	-	-	-	-	6,536
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(448,976)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96828965 Tibco Platform Upg 2025

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 1/4/2025

Estimated Completion Date 12/31/2026

Description

The Tibco Integration Suite Upgrade to version 6 is the final phase of a larger upgrade to the critical Tibco Integration Suite system. Tibco is a tool that facilitates and manages automated routing of data and messaging between many other PNM systems (known as "middleware"). This project's work involves the conversion of a core system component called Business Works to the latest version. This effort is a substantial and necessary upgrade to position PNM for the latest integration approaches (e.g., digital transformation, comprising hybrid integration platforms, microservices, data containers, etc.). The scope covers research and setup of the latest Business Works environment, including dedicated servers that were acquired during a previous phase, a “Proof of Value” pilot for the conversion, migration of an initial set of existing services, and the deployment and performance monitoring of those converted packages in production. It will also include further automation of monitoring and exceptions management.

Project No: **96828965** **Tibco Platform Upg 2025**

Project Need Justification

PNM relies on the Tibco Integration Suite to support the automated exchange of data and transactions between critical business and operational systems throughout the enterprise. As the volume, complexity, and importance of these integrations have grown, the underlying Business Works platform component has approached the limits of its support lifecycle and does not fully support modern integration architectures, including hybrid integration platforms, microservices, container-based deployments, and other digital transformation initiatives. The Tibco Platform Upgrade to Version 6 is necessary to maintain vendor support, improve system performance and reliability, enhance monitoring and exception management capabilities, and provide compatibility with current integration technologies and security requirements. Failure to complete the upgrade would increase operational risk, limit the organization's ability to support future integration needs, and potentially result in increased maintenance costs and reduced supportability of a critical enterprise middleware platform.

Project No: 96828965 Tibco Platform Upg 2025

Project Alternatives

1. Do nothing. Delaying an upgrade would both risk supportability by the vendor and delay implementation of highly advantageous new functionality.
2. Replace Tibco. Because Tibco is an existing, important tool used by many company systems to communicate automatically, an upgrade is a far preferable approach to replacement at this time.

Project No: 96828965 Tibco Platform Upg 2025

Project Estimate Approach	Project estimates were built using a combination of vendor costs and quotes as well as internal and contract labor expense and administrative overhead based on PNM experience with previous similar efforts. Most of this project's costs will be for internal labor and allowed loads for project administration and overhead.

Project No: **96828965** **Tibco Platform Upg 2025**

Customer Benefit	PNM customers benefit from the Tibco Integration Suite project through the efficient management of data sharing between the many other critical systems used by PNM.

Project No: **96828965** **Tibco Platform Upg 2025**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96828965** **Tibco Platform Upg 2025**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Many systems at PNM are highly interconnected and mutually dependent on one another for automated, instantaneous data delivery and response. Without a reliably upgraded middleware system such as PNM's Tibco Integration Suite, other critical systems would effectively cease to function.

Project No: 96828965 Tibco Platform Upg 2025

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	128,944	15,000	15,000	15,000	15,000	15,000	4,167	208,111
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	4,167	4,167	4,167	4,167	4,167	4,167	25,000
370: Outside Services	63,787	66,667	66,667	66,667	66,667	66,667	200,000	597,120
374: Outside Services Legal	323	-	-	-	-	-	-	323
377: Outside Svcs-Temp Labor	6,427	-	-	-	-	-	-	6,427
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	8,771	1,245	1,688	2,144	2,597	3,213	4,395	24,053
610: Expenses - General	408,278	-	-	-	-	75,000	92,000	575,278
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	10,144	1,200	1,200	1,200	1,200	1,200	333	16,478
914: Pension and Benefits	27,620	3,275	3,275	3,275	3,275	3,275	910	44,902
915: Injuries and Damages	2,626	299	299	299	299	299	83	4,202
921: Stores Load	626	179	179	179	179	179	179	1,698
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(449,763)	-	-	-	-	-	(1,050,074)	(1,499,837)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	207,784	92,030	92,473	92,929	93,382	168,998	(743,842)	3,754

Project No: **96828965** **Tibco Platform Upg 2025**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	208,111	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	25,000	-	-	-	-	-	-
370: Outside Services	597,120	-	-	-	-	-	-
374: Outside Services Legal	323	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	6,427	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	24,053	-	-	-	-	-	-
610: Expenses - General	575,278	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	16,478	-	-	-	-	-	-
914: Pension and Benefits	44,902	-	-	-	-	-	-
915: Injuries and Damages	4,202	-	-	-	-	-	-
921: Stores Load	1,698	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,499,837)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	3,754	-	-	-	-	-	-

Project No: **96828965** **Tibco Platform Upg 2025**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	208,111
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	25,000
370: Outside Services	-	-	-	597,120
374: Outside Services Legal	-	-	-	323
377: Outside Svcs-Temp Labor	-	-	-	6,427
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	24,053
610: Expenses - General	-	-	-	575,278
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	16,478
914: Pension and Benefits	-	-	-	44,902
915: Injuries and Damages	-	-	-	4,202
921: Stores Load	-	-	-	1,698
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,499,837)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	3,754

Project No: 96828965 Tibco Platform Upg 2025

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	208,111	-	-	-	208,111	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	25,000	-	-	-	25,000	-	-	-
370: Outside Services	597,120	-	-	-	597,120	-	-	-
374: Outside Services Legal	323	-	-	-	323	-	-	-
377: Outside Svcs-Temp Labor	6,427	-	-	-	6,427	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	24,053	-	-	-	24,053	-	-	-
610: Expenses - General	575,278	-	-	-	575,278	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	16,478	-	-	-	16,478	-	-	-
914: Pension and Benefits	44,902	-	-	-	44,902	-	-	-
915: Injuries and Damages	4,202	-	-	-	4,202	-	-	-
921: Stores Load	1,698	-	-	-	1,698	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,499,837)	-	-	-	(1,499,837)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	3,754	-	-	-	3,754	-	-	-

Project No: **96828965** **Tibco Platform Upg 2025**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	208,111
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	25,000
370: Outside Services	-	-	-	-	-	-	597,120
374: Outside Services Legal	-	-	-	-	-	-	323
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	6,427
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	24,053
610: Expenses - General	-	-	-	-	-	-	575,278
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	16,478
914: Pension and Benefits	-	-	-	-	-	-	44,902
915: Injuries and Damages	-	-	-	-	-	-	4,202
921: Stores Load	-	-	-	-	-	-	1,698
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,499,837)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	3,754

Project No: **96828966** **Blue Snow ELA 2026**

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 4/1/2026

Estimated Completion Date 7/31/2026

Description

The Blue Snow ELA (Enterprise License Agreement) project renews the capitalizable three-year license for PNMR's use of a key safety tracking and risk mitigation system used throughout the company. Blue Snow is used both to record and follow-up on safety incidents, but also includes sophisticated tools to help identify and thereby focus company attention on activities and locations that have higher potential for safety issues. In 2023, over 100 vendor solutions were narrowed to three vendors who were engaged in an exhaustive set of requirements tests. Blue Snow offered the best solution for PNMR's needs, is used in many other utilities, and offers a comprehensive suite of safety functions required by PNMR. During the past three years of use, Blue Snow has continued to prove its value as the right safety system for PNMR's needs at this time and the near future.

Project No: **96828966** **Blue Snow ELA 2026**

Project Need Justification

Previous processes to report hazards were informal, inconsistent, and not always used. This led to incomplete data and a lack of ability to use that data to identify trends and reduce hazards. Originally implemented in 2023 after a request for proposals process, Blue Snow enables real-time logging of hazards and observations as opposed to the previous process of documenting on paper and then transcribing the notes to our PeopleSoft system. Blue Snow supports all the key issues identified by PNMR:

- Smart phone, tablet or desktop can be used for reporting
- Multiple photos can be marked up and attached
- By design, “talk to text” is included for easy documentation
- All reports are saved, so no more lost records
- “Geotagging” to identify the exact location of the issue or event
- Two-factor authentication included for securing PNMR data

Project No: **96828966** **Blue Snow ELA 2026**

Project Alternatives

The only alternative is to do nothing and not renew the license with Blue Snow. However, this would potentially put PNM at risk for safety issues and would limit PNM's visibility into the activities occurring at its locations.

Project No: **96828966** **Blue Snow ELA 2026**

Project Estimate Approach	Not required for projects with less than $250,000 of expenditures.

Project No: **96828966** **Blue Snow ELA 2026**

Customer Benefit	PNMR customers benefit from the lowest possible safety incidents PNMR can achieve through greater reliability and availability of personnel to resolve issues in the field and at PNMR facilities.

Project No: **96828966** **Blue Snow ELA 2026**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96828966** **Blue Snow ELA 2026**

General Services

Reliability & Resiliency

Safety & Security

By meeting all the major requirements listed in this project's justification narrative, Blue Snow has proven to be a worthy tool in capture and mitigation of risk to the safety and security of PNMR personnel.

Technology Advancements

Project No: 96828966 Blue Snow ELA 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	248	-	-	-	-	-	-	248
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	193	-	-	-	-	-	-	193
610: Expenses - General	76,712	-	-	-	-	-	-	76,712
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	20	-	-	-	-	-	-	20
914: Pension and Benefits	54	-	-	-	-	-	-	54
915: Injuries and Damages	5	-	-	-	-	-	-	5
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	(77,039)	-	-	-	-	-	(77,039)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	77,232	(77,039)	-	-	-	-	-	193

Project No: **96828966** **Blue Snow ELA 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	248	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	193	-	-	-	-	-	-
610: Expenses - General	76,712	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	20	-	-	-	-	-	-
914: Pension and Benefits	54	-	-	-	-	-	-
915: Injuries and Damages	5	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(77,039)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	193	-	-	-	-	-	-

Project No: **96828966** **Blue Snow ELA 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	248
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	193
610: Expenses - General	-	-	-	76,712
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	20
914: Pension and Benefits	-	-	-	54
915: Injuries and Damages	-	-	-	5
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(77,039)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	193

Project No: 96828966 Blue Snow ELA 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	248	-	-	-	248	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	193	-	-	-	193	-	-	-
610: Expenses - General	76,712	-	-	-	76,712	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	20	-	-	-	20	-	-	-
914: Pension and Benefits	54	-	-	-	54	-	-	-
915: Injuries and Damages	5	-	-	-	5	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(77,039)	-	-	-	(77,039)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	193	-	-	-	193	-	-	-

Project No: **96828966** **Blue Snow ELA 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	248
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	193
610: Expenses - General	-	-	-	-	-	-	76,712
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	20
914: Pension and Benefits	-	-	-	-	-	-	54
915: Injuries and Damages	-	-	-	-	-	-	5
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(77,039)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	193

Project No: 96828967 VMware Cloud Found Dev 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Denton (TX) 100%

Estimated Start Date 3/1/2027

Estimated Completion Date 12/31/2027

Description

The VMware Cloud Foundation Deployment 2027 project implements VMware Cloud Foundation (VCF) as the standard private cloud platform supporting PNM's Texas operations. The project includes deployment of management domains, workload domains, lifecycle management capabilities, and integration with the Lewisville network and security architecture. VMware Cloud Foundation provides a standardized platform for virtualization, infrastructure operations, resource provisioning, lifecycle management, and application hosting. The project reduces platform complexity, improves operational consistency, and establishes a scalable foundation for future infrastructure modernization, disaster recovery, automation, and cloud-enabled services. By consolidating disparate virtualization environments into a common platform, the project enhances reliability, supportability, and long-term operational efficiency.

Project No: **96828967** **VMware Cloud Found Dev 2027**

Project Need Justification

PNM currently supports multiple infrastructure environments that require consistent management, maintenance, security controls, and lifecycle oversight. As business and technology requirements continue to evolve, the organization requires a modern infrastructure platform capable of supporting application growth, operational resiliency, automation initiatives, and future technology demands. The VMware Cloud Foundation Deployment 2027 project is needed to establish a standardized private cloud environment that simplifies infrastructure management, improves configuration consistency, reduces operational complexity, and supports efficient deployment of business applications and platform services. The project also enhances lifecycle management capabilities and provides a durable foundation for future modernization efforts.

Project No: **96828967** **VMware Cloud Found Dev 2027**

Project Alternatives

Alternative 1) Continue operating existing virtualization platforms and infrastructure environments without implementing VMware Cloud Foundation. This approach may increase operational complexity, maintain infrastructure silos, and limit the organization's ability to standardize operations, improve lifecycle management, and support future technology initiatives.

Alternative 2) Modernize infrastructure through incremental platform upgrades and isolated virtualization improvements. While this approach may address specific needs, it does not provide a comprehensive platform strategy and may result in inconsistent operational practices, increased support requirements, and continued infrastructure fragmentation.

Project No: **96828967** **VMware Cloud Found Dev 2027**

Project Estimate Approach

Project cost estimates were developed through infrastructure planning activities, vendor solution evaluations, implementation design efforts, and detailed assessments of platform requirements. The estimating process incorporated input from virtualization specialists, infrastructure architects, technology implementation partners, and internal personnel responsible for enterprise computing environments. Cost projections reflect anticipated expenditures for software licensing, platform deployment, professional services, integration activities, testing, training, and operational readiness efforts required to establish VMware Cloud Foundation as the organization's standard private cloud platform.

Project No: **96828967** **VMware Cloud Found Dev 2027**

Customer Benefit

Customers benefit from PNM's ability to maintain reliable, resilient, and efficient technology systems that support utility operations and customer service functions. The VMware Cloud Foundation Deployment 2027 project improves infrastructure standardization, enhances system availability, and strengthens support for business continuity and disaster recovery capabilities. By providing a stable and scalable infrastructure foundation, the project helps reduce operational risk, improve system reliability, and support the technology services that enable the safe and reliable delivery of electric service.

Project No: **96828967 VMware Cloud Found Dev 2027**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96828967** **VMware Cloud Found Dev 2027**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

PNM's ability to provide safe and reliable electric service depends on maintaining modern technology platforms capable of supporting evolving business and operational requirements. The VMware Cloud Foundation Deployment 2027 project advances the organization's technology environment by establishing a standardized private cloud architecture that improves infrastructure management, automation, lifecycle operations, and application hosting capabilities. By reducing platform complexity, improving consistency, and enabling future modernization initiatives, the project strengthens the organization's ability to efficiently deliver secure, reliable, and scalable technology services in support of utility operations.

Project No: 96828967 VMware Cloud Found Dev 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96828967** **VMware Cloud Found Dev 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	2,000	2,000	2,000	2,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	10,000	10,000	10,000	10,000
370: Outside Services	-	-	-	10,000	10,000	10,000	10,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	68	202	346	486
610: Expenses - General	-	-	-	1,350	1,350	1,350	1,350
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	160	160	160	160
914: Pension and Benefits	-	-	-	470	470	470	470
915: Injuries and Damages	-	-	-	43	43	43	43
921: Stores Load	-	-	-	327	327	327	327
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	24,418	24,553	24,696	24,837

Project No: **96828967** **VMware Cloud Found Dev 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	2,000	2,000	2,000	14,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	10,000	10,000	10,000	70,000
370: Outside Services	10,000	10,000	10,000	70,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	610	746	885	3,343
610: Expenses - General	1,350	1,350	1,350	9,450
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	160	160	160	1,120
914: Pension and Benefits	470	470	470	3,291
915: Injuries and Damages	43	43	43	304
921: Stores Load	327	327	327	2,288
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	24,960	25,097	25,235	173,796

Project No: 96828967 VMware Cloud Found Dev 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	14,000	2,000	2,000	2,000	20,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	70,000	10,000	10,000	10,000	100,000	-	-	-
370: Outside Services	70,000	10,000	10,000	10,000	100,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	3,343	1,003	1,140	1,304	6,790	-	-	-
610: Expenses - General	9,450	1,350	1,350	1,350	13,500	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,120	160	160	160	1,600	-	-	-
914: Pension and Benefits	3,291	470	470	470	4,702	-	-	-
915: Injuries and Damages	304	43	43	43	434	-	-	-
921: Stores Load	2,288	327	327	327	3,268	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(250,294)	(250,294)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	173,796	25,353	25,490	(224,639)	-	-	-	-

Project No: **96828967** **VMware Cloud Found Dev 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	20,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	100,000
370: Outside Services	-	-	-	-	-	-	100,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	6,790
610: Expenses - General	-	-	-	-	-	-	13,500
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	1,600
914: Pension and Benefits	-	-	-	-	-	-	4,702
915: Injuries and Damages	-	-	-	-	-	-	434
921: Stores Load	-	-	-	-	-	-	3,268
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(250,294)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829026** **Telecom-New Capabilities Prgrm 2026**

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

County %		
	Bernalillo	75%
	Denton (TX)	10%
	Counties < 1%	15%

Description

The Telecom-New Capabilities Program 2026 provides funding for the evaluation, acquisition, and implementation of new telecommunications technologies that improve the reliability, resiliency, security, and effectiveness of communications systems supporting PNM's transmission, distribution, and shared services operations. The program serves as a vehicle for deploying emerging telecommunications capabilities that address evolving operational requirements, improve system performance, reduce operating costs, and strengthen business continuity. Projects funded under the program may include network routing enhancements, communications redundancy improvements, advanced voice and data services, network resiliency initiatives, and other telecommunications technologies that support reliable utility operations.

Project No: 96829026 Telecom-New Capabilities Prgrm 2026

Project Need Justification

Reliable communications infrastructure is essential to the operation of utility systems, support of field personnel, coordination of business activities, and continuity of critical operations. The Telecom-New Capabilities Program enables PNM to proactively evaluate and implement new telecommunications technologies that improve service reliability, enhance resiliency, reduce operational costs, and address emerging technical requirements. The program also provides a structured mechanism for funding smaller-scale telecommunications improvements that may not otherwise be addressed through traditional lifecycle replacement projects. Each proposed initiative is evaluated using formal business, operational, and technical criteria to ensure that investments are necessary, cost-effective, and aligned with organizational objectives.

Project No: 96829026 Telecom-New Capabilities Prgrm 2026

Project Alternatives

Alternative 1) Continue operating existing telecommunications systems without implementing new capabilities or modernization initiatives. This approach may limit opportunities to improve reliability, reduce communications costs, enhance resiliency, and leverage technologies that better support utility operations.

Alternative 2) Address telecommunications improvements only when operational issues arise. While this approach may defer expenditures, it is largely reactive and may delay the implementation of technologies that could improve system performance, strengthen resiliency, or lower long-term operating costs.

Project No: **96829026** **Telecom-New Capabilities Prgrm 2026**

Project Estimate Approach

Project cost estimates are developed through a combination of technology assessments, vendor budgetary pricing, internal engineering evaluations, and analysis of anticipated operational benefits. Proposed initiatives are reviewed against industry practices, organizational communications requirements, and prior telecommunications modernization efforts to determine expected implementation costs and value. Cost assumptions reflect anticipated hardware, software, implementation services, configuration activities, and supporting infrastructure requirements necessary to deliver the planned telecommunications enhancements in an efficient and practical manner.

Project No: **96829026** **Telecom-New Capabilities Prgrm 2026**

Customer Benefit

Customers benefit from PNM's ability to maintain reliable and resilient communications systems that support utility operations, outage response activities, field communications, and business continuity functions. The Telecom-New Capabilities Program enables the deployment of technologies that improve communications performance, increase redundancy, reduce operational risk, and strengthen system availability. These improvements support the efficient delivery of utility services and help ensure that critical operational communications remain available when needed.

Project No: **96829026** **Telecom-New Capabilities Prgrm 2026**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96829026** **Telecom-New Capabilities Prgrm 2026**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

PNM's ability to provide safe and reliable electric service depends on dependable communications infrastructure that supports both daily operations and response to emergency events. The Telecom-New Capabilities Program enhances reliability and resiliency by implementing telecommunications technologies that improve network performance, increase redundancy, strengthen system availability, and support evolving operational requirements. By enabling the adoption of solutions that improve communications effectiveness and reduce infrastructure vulnerabilities, the program supports the continued reliability of utility operations and critical business functions.

Project No: 96829026 Telecom-New Capabilities Prgrm 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	2,630	8,333	8,333	8,333	8,333	8,333	8,333	52,630
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	3,284	150,000	150,000	260,000	33,333	50,000	45,000	691,617
370: Outside Services	-	20,000	20,000	10,833	10,833	10,833	10,833	83,333
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	1,667	1,667	1,667	1,667	1,667	1,667	10,000
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	33	506	1,439	2,640	3,516	4,367	6,011	18,512
610: Expenses - General	84	-	-	-	-	220,150	285,000	505,234
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	210	667	667	667	667	667	667	4,210
914: Pension and Benefits	574	1,819	1,819	1,819	1,819	1,819	1,819	11,489
915: Injuries and Damages	52	166	166	166	166	166	166	1,047
921: Stores Load	10	6,432	6,432	11,149	1,429	2,144	1,930	29,526
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,407,566)	(1,407,566)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	6,878	189,590	190,522	297,273	61,764	300,146	(1,046,140)	33

Project No: **96829026** **Telecom-New Capabilities Prgrm 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	52,630	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	691,617	-	-	-	-	-	-
370: Outside Services	83,333	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	10,000	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	18,512	-	-	-	-	-	-
610: Expenses - General	505,234	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	4,210	-	-	-	-	-	-
914: Pension and Benefits	11,489	-	-	-	-	-	-
915: Injuries and Damages	1,047	-	-	-	-	-	-
921: Stores Load	29,526	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,407,566)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	33	-	-	-	-	-	-

Project No: **96829026** **Telecom-New Capabilities Prgrm 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	52,630
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	691,617
370: Outside Services	-	-	-	83,333
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	10,000
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	18,512
610: Expenses - General	-	-	-	505,234
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	4,210
914: Pension and Benefits	-	-	-	11,489
915: Injuries and Damages	-	-	-	1,047
921: Stores Load	-	-	-	29,526
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,407,566)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	33

Project No: 96829026 Telecom-New Capabilities Prgrm 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	52,630	-	-	-	52,630	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	691,617	-	-	-	691,617	-	-	-
370: Outside Services	83,333	-	-	-	83,333	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	10,000	-	-	-	10,000	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	18,512	-	-	-	18,512	-	-	-
610: Expenses - General	505,234	-	-	-	505,234	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,210	-	-	-	4,210	-	-	-
914: Pension and Benefits	11,489	-	-	-	11,489	-	-	-
915: Injuries and Damages	1,047	-	-	-	1,047	-	-	-
921: Stores Load	29,526	-	-	-	29,526	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,407,566)	-	-	-	(1,407,566)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	33	-	-	-	33	-	-	-

Project No: **96829026** **Telecom-New Capabilities Prgrm 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	52,630
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	691,617
370: Outside Services	-	-	-	-	-	-	83,333
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	10,000
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	18,512
610: Expenses - General	-	-	-	-	-	-	505,234
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,210
914: Pension and Benefits	-	-	-	-	-	-	11,489
915: Injuries and Damages	-	-	-	-	-	-	1,047
921: Stores Load	-	-	-	-	-	-	29,526
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,407,566)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	33

Project No: 96829057 Gartner Support Contracts 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 4/1/2027

Estimated Completion Date 11/30/2027

Description

The Gartner Support Contracts 2027 project funds the capitalizable portion of Gartner advisory and consulting services that directly support the planning, evaluation, architecture, governance, and implementation of approved technology capital projects throughout PNM. Gartner services provide independent research, technology assessments, industry benchmarking, strategic guidance, architecture reviews, vendor evaluation support, and subject matter expertise that assist project teams in making informed technology decisions. These services help ensure that major technology investments align with industry best practices, cybersecurity requirements, operational objectives, and long-term business needs. The project captures the portion of Gartner services that can be directly attributed to capital project activities.

Project No: 96829057 Gartner Support Contracts 2027

Project Need Justification

PNM undertakes a broad portfolio of technology projects involving cybersecurity, infrastructure modernization, cloud services, application development, and operational technology systems. Many of these initiatives require access to specialized industry expertise and independent analysis to evaluate technology options, assess risks, validate architectural decisions, and support long-term planning efforts. Gartner services provide recognized industry research and advisory capabilities that help project teams make informed investment decisions, reduce implementation risk, and improve alignment between technology solutions and business objectives. Continued access to these services supports effective governance and execution of technology capital investments.

Project No: 96829057 Gartner Support Contracts 2027

Project Alternatives

Alternative 1) Eliminate external advisory support and rely solely on internal resources. While internal expertise remains a critical component of project delivery, this approach may limit access to industry benchmarks, emerging technology insights, independent analysis, and specialized expertise available through Gartner's research and advisory services.

Alternative 2) Procure advisory services individually for each project as needed. This approach may increase administrative complexity, reduce consistency across projects, and limit the organization's ability to efficiently leverage enterprise-wide technology research and consulting resources.

Project No: **96829057** **Gartner Support Contracts 2027**

Project Estimate Approach	The estimated cost of capitalizable Gartner services is based on projected utilization of advisory and consulting resources in support of planned technology capital projects during the forecast period. Cost assumptions were developed using historical Gartner engagement levels, anticipated project demand, existing contractual arrangements, and internal assessments of future technology planning and governance requirements. The estimate reflects the portion of Gartner services expected to directly support capital project activities and incorporates organizational experience leveraging external advisory services across prior technology initiatives.

Project No: **96829057** **Gartner Support Contracts 2027**

Customer Benefit	Customers benefit from more effective technology investments, reduced implementation risk, and improved performance of the systems that support utility operations, customer service, cybersecurity, and business continuity functions. Gartner advisory services provide independent research, technology assessments, industry benchmarking, architecture reviews, and project guidance that help PNM make informed decisions regarding major technology investments. These services support better planning, improved solution selection, and more effective project execution, helping ensure that technology projects deliver intended business outcomes while minimizing operational risks and unnecessary costs. By improving the quality and effectiveness of technology investments, the project helps support reliable utility operations and the efficient use of customer resources.

Project No: **96829057 Gartner Support Contracts 2027**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96829057** **Gartner Support Contracts 2027**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

PNM's ability to provide safe and reliable electric service depends on implementing technology solutions that are secure, supportable, and aligned with evolving business needs. Gartner support services contribute to technology advancement by providing independent expertise, industry research, market intelligence, and strategic guidance that assist the organization in evaluating and modernizing technology platforms. These services help strengthen technology governance, improve planning and decision-making, and support the successful delivery of projects that enhance operational capabilities and long-term business performance.

Project No: 96829057 Gartner Support Contracts 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829057** **Gartner Support Contracts 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	130	398	667
610: Expenses - General	-	-	-	-	46,875	46,875	46,875
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	47,005	47,273	47,542

Project No: **96829057** **Gartner Support Contracts 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	910	1,172	1,437	4,715
610: Expenses - General	46,875	46,875	46,875	281,250
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	47,785	48,047	48,312	285,965

Project No: 96829057 Gartner Support Contracts 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	4,715	1,668	1,930	-	8,313	-	-	-
610: Expenses - General	281,250	46,875	46,875	-	375,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	(383,313)	-	(383,313)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	285,965	48,543	(334,508)	-	-	-	-	-

Project No: **96829057** **Gartner Support Contracts 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	8,313
610: Expenses - General	-	-	-	-	-	-	375,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(383,313)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829066 SigmaFlow Upg 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 6/1/2026

Estimated Completion Date 12/31/2026

Description

The SigmaFlow Upgrade project is a periodically required refresh of the hardware and software supporting a key compliance system used by transmission operations technology. SigmaFlow is a specialized software platform designed to automate and manage compliance, auditing, and workflows for organizations in the energy sector—specifically for NERC CIP (Critical Infrastructure Protection) and NERC 693 standards. Upgrades help ensure PNM systems are running on platforms that are entirely supportable by PNM staff and vendors and include the latest safety and performance enhancements provided by the vendor.

Project No: **96829066** **SigmaFlow Upg 2026**

Project Need Justification

Each of the systems PNM relies on to ensure safety and reliability requires periodic refreshing, typically on a three to four-year cycle, depending on the system. The SigmaFlow system at PNM was most recently upgraded in 2023 and is therefore due. Were PNM to defer an upgrade, it would incur unacceptable risk of system failure, thereby risking NERC audit failures and fines.

Project No: **96829066** **SigmaFlow Upg 2026**

Project Alternatives

Since SigmaFlow is an industry standard, PNM would not consider changing to a different vendor at this time. Neither would it be acceptable to defer required maintenance on this system, particularly because it is tied so inextricably to PNM's compliance with national energy management standards and requirements. PNM must upgrade SigmaFlow on schedule, as required to remain in compliance.

Project No: **96829066** **SigmaFlow Upg 2026**

Project Estimate Approach	The project estimate for the SigmaFlow upgrade is based on previous experience with similar activities on this system in the past.

Project No: **96829066** **SigmaFlow Upg 2026**

Customer Benefit

Customers benefit from PNM's ability to maintain compliance with NERC reliability and Critical Infrastructure Protection (CIP) standards that help support the safe and reliable operation of the electric grid. SigmaFlow is used to manage compliance workflows, evidence collection, audit activities, and documentation associated with these regulatory requirements. Upgrading the SigmaFlow platform helps ensure that compliance processes remain efficient, supportable, and aligned with current reliability standards. By improving compliance management capabilities and maintaining vendor-supported technology, the project helps reduce the risk of compliance violations, regulatory penalties, and operational disruptions that could ultimately increase costs or negatively impact service reliability for customers.

Project No: 96829066 SigmaFlow Upg 2026

Primary Value Driver: Compliance

Compliance

As a member of the western grid, PNM is closely regulated by NERC, which helps ensure the company can deliver power safely and reliably and will not inadvertently introduce damaging issues on the grid that could affect customers throughout the western half of the entire nation. NERC performs frequent audits to examine every facet of PNM's operations covered by NERC regulations and a significant part of those audits includes detailed examination of company controls and processes. Those are largely managed in SigmaFlow. Therefore, upgrade of the SigmaFlow system is required to ensure PNM is in compliance with NERC regulations.

Customer Delivery

Energy Transition

Project No: **96829066** **SigmaFlow Upg 2026**

General Services

Reliability & Resiliency

PNM's use of the SigmaFlow system satisfies NERC regulatory requirements, which exist primarily to help ensure the national grid remains stable and reliable.

Safety & Security

Technology Advancements

Project No: 96829066 SigmaFlow Upg 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	1,429	1,429	1,429	1,429	1,429	1,429	8,571
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	28,571	28,571	28,571	28,571	28,571	28,571	171,429
370: Outside Services	-	7,143	7,143	7,143	7,143	7,143	7,143	42,857
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	97	288	481	674	861	1,120	3,522
610: Expenses - General	-	-	-	-	-	-	24,365	24,365
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	114	114	114	114	114	114	686
914: Pension and Benefits	-	312	312	312	312	312	312	1,871
915: Injuries and Damages	-	28	28	28	28	28	28	171
921: Stores Load	-	1,225	1,225	1,225	1,225	1,225	1,225	7,351
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(260,823)	(260,823)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	38,919	39,111	39,304	39,497	39,684	(196,515)	(0)

Project No: **96829066** **SigmaFlow Upg 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	8,571	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	171,429	-	-	-	-	-	-
370: Outside Services	42,857	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	3,522	-	-	-	-	-	-
610: Expenses - General	24,365	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	686	-	-	-	-	-	-
914: Pension and Benefits	1,871	-	-	-	-	-	-
915: Injuries and Damages	171	-	-	-	-	-	-
921: Stores Load	7,351	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(260,823)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	(0)	-	-	-	-	-	-

Project No: **96829066** **SigmaFlow Upg 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	8,571
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	171,429
370: Outside Services	-	-	-	42,857
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	3,522
610: Expenses - General	-	-	-	24,365
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	686
914: Pension and Benefits	-	-	-	1,871
915: Injuries and Damages	-	-	-	171
921: Stores Load	-	-	-	7,351
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(260,823)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	(0)

Project No: 96829066 SigmaFlow Upg 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	8,571	-	-	-	8,571	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	171,429	-	-	-	171,429	-	-	-
370: Outside Services	42,857	-	-	-	42,857	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	3,522	-	-	-	3,522	-	-	-
610: Expenses - General	24,365	-	-	-	24,365	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	686	-	-	-	686	-	-	-
914: Pension and Benefits	1,871	-	-	-	1,871	-	-	-
915: Injuries and Damages	171	-	-	-	171	-	-	-
921: Stores Load	7,351	-	-	-	7,351	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(260,823)	-	-	-	(260,823)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	(0)	-	-	-	(0)	-	-	-

Project No: **96829066** **SigmaFlow Upg 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	8,571
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	171,429
370: Outside Services	-	-	-	-	-	-	42,857
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	3,522
610: Expenses - General	-	-	-	-	-	-	24,365
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	686
914: Pension and Benefits	-	-	-	-	-	-	1,871
915: Injuries and Damages	-	-	-	-	-	-	171
921: Stores Load	-	-	-	-	-	-	7,351
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(260,823)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96829067 Threat Exp Mgmt Mod Ph 1 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Threat Exposure Management Modernization Phase 1 project establishes a centralized capability for identifying, evaluating, and prioritizing cybersecurity vulnerabilities and threat exposures across PNM's technology environment. The solution provides consolidated visibility into security weaknesses, asset exposure, configuration risks, and emerging threats, enabling security teams to focus remediation efforts on the issues that present the greatest operational and cybersecurity risk. By incorporating risk-based prioritization, the project helps improve vulnerability management processes, strengthen cybersecurity defenses, and provide a more comprehensive understanding of the organization's overall security posture.

Project No: 96829067 Threat Exp Mgmt Mod Ph 1 2027

Project Need Justification

PNM's technology environment continues to grow in size and complexity, increasing the number of assets, systems, and potential attack surfaces that must be monitored and protected. Traditional vulnerability management approaches often generate large volumes of findings without clearly identifying which issues present the greatest risk to the organization. The Threat Exposure Management Modernization Phase 1 project is needed to provide centralized visibility into vulnerabilities and threat exposures while prioritizing remediation efforts based on real-world risk and potential business impact. This approach improves risk management effectiveness, helps optimize cybersecurity resources, and supports more informed decision-making regarding remediation activities across critical technology systems.

Project No: **96829067 Threat Exp Mgmt Mod Ph 1 2027**

Project Alternatives

Alternative 1) Continue managing vulnerabilities through existing tools and processes without implementing a centralized threat exposure management capability. While current tools provide useful information, this approach may limit visibility across the environment and reduce the organization's ability to consistently prioritize remediation efforts based on risk.

Alternative 2) Increase manual review and analysis of vulnerability data. Although additional manual analysis may improve prioritization, this approach would require significant staff effort, increase operational overhead, and may not scale effectively as the technology environment grows.

Project No: 96829067 Threat Exp Mgmt Mod Ph 1 2027

Project Estimate Approach	Project cost estimates were developed through analysis of anticipated platform capabilities, implementation requirements, cybersecurity program objectives, and current market offerings. The estimating process incorporated input from industry practitioners, independent technology advisors, and internal security professionals responsible for vulnerability management and risk reduction activities. Cost assumptions reflect expected expenditures for software licensing, implementation services, integrations, configuration activities, and operational readiness efforts necessary to establish the initial phase of the threat exposure management program while supporting long-term cybersecurity objectives.

Project No: **96829067** **Threat Exp Mgmt Mod Ph 1 2027**

Customer Benefit

Customers benefit from PNM's ability to maintain secure, reliable, and resilient technology systems that support utility operations. By improving visibility into cybersecurity risks and helping ensure that the most critical vulnerabilities are addressed first, the Threat Exposure Management Modernization Phase 1 project strengthens the protection of systems and infrastructure that support business operations and customer service functions. Enhanced cybersecurity risk management reduces the likelihood of cyber-related disruptions and supports the continued delivery of safe and reliable electric service.

Project No: **96829067** **Threat Exp Mgmt Mod Ph 1 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829067** **Threat Exp Mgmt Mod Ph 1 2027**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining strong cybersecurity controls and effective risk management practices. The Threat Exposure Management Modernization Phase 1 project improves the organization's ability to identify, assess, and prioritize vulnerabilities and threat exposures across its technology environment. By focusing remediation activities on the risks most likely to impact critical systems and operations, the project strengthens cybersecurity resilience, improves security decision-making, and supports the protection of infrastructure essential to utility operations.

Technology Advancements

Project No: 96829067 Threat Exp Mgmt Mod Ph 1 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829067** **Threat Exp Mgmt Mod Ph 1 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	4,545	4,545	4,545	4,545	4,545
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	13,636	13,636	13,636	13,636	13,636
370: Outside Services	-	-	10,727	10,727	10,727	10,727	10,727
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	90	258	429	616	795
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	364	364	364	364	364
914: Pension and Benefits	-	-	1,069	1,069	1,069	1,069	1,069
915: Injuries and Damages	-	-	99	99	99	99	99
921: Stores Load	-	-	446	446	446	446	446
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	30,975	31,144	31,314	31,501	31,681

Project No: **96829067** **Threat Exp Mgmt Mod Ph 1 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	4,545	4,545	4,545	36,364
120: Overtime-General	-	-	-	-
350: Material Issues-Major	13,636	13,636	13,636	109,091
370: Outside Services	10,727	10,727	10,727	85,818
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	948	1,122	1,299	5,556
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	364	364	364	2,909
914: Pension and Benefits	1,069	1,069	1,069	8,549
915: Injuries and Damages	99	99	99	789
921: Stores Load	446	446	446	3,565
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	31,833	32,008	32,184	252,641

Project No: **96829067** **Threat Exp Mgmt Mod Ph 1 2027**

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	36,364	4,545	4,545	4,545	50,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	109,091	13,636	13,636	13,636	150,000	-	-	-
370: Outside Services	85,818	10,727	10,727	10,727	118,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	5,556	1,446	1,620	1,834	10,456	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,909	364	364	364	4,000	-	-	-
914: Pension and Benefits	8,549	1,069	1,069	1,069	11,755	-	-	-
915: Injuries and Damages	789	99	99	99	1,085	-	-	-
921: Stores Load	3,565	446	446	446	4,902	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(350,198)	(350,198)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	252,641	32,331	32,506	(317,478)	(0)	-	-	-

Project No: **96829067** **Threat Exp Mgmt Mod Ph 1 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	50,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	150,000
370: Outside Services	-	-	-	-	-	-	118,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	10,456
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,000
914: Pension and Benefits	-	-	-	-	-	-	11,755
915: Injuries and Damages	-	-	-	-	-	-	1,085
921: Stores Load	-	-	-	-	-	-	4,902
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(350,198)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96829068 Optiv Saviynt True Up 2028

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2028

Estimated Completion Date 6/30/2028

Description

The Optiv Saviynt True Up project provides funding for the adjustment and reconciliation of capitalizable software licensing associated with PNM's Identity and Access Management (IAM) platform. The project aligns software licensing quantities and entitlements with actual implementation scope, user populations, integrations, and operational requirements identified during deployment and adoption of the Saviynt identity governance solution. The effort ensures that licensing levels accurately support current and anticipated business needs while maintaining access to the identity management capabilities required to administer user access, support security controls, and manage enterprise identity governance processes.

Project No: 96829068 Optiv Saviynt True Up 2028

Project Need Justification

PNM's Identity and Access Management platform serves as a foundational cybersecurity capability used to manage user identities, access rights, provisioning processes, and security governance activities throughout the organization. As implementation progresses and business requirements evolve, adjustments to licensing quantities and platform entitlements may be required to align with actual usage and operational needs. The Optiv Saviynt True Up project is necessary to ensure the organization maintains appropriate licensing coverage, supports future growth requirements, and preserves the functionality needed to manage user access and cybersecurity controls in a secure, compliant, and efficient manner.

Project No: **96829068** **Optiv Saviynt True Up 2028**

Project Alternatives

Alternative 1) Do not adjust licensing levels and continue operating under existing license allocations. This approach may create capacity constraints, limit access to required platform functionality, or result in licensing misalignment as user populations and business requirements evolve.

Alternative 2) Delay licensing adjustments until a future renewal cycle. While this approach may temporarily defer costs, it could create operational limitations, increase administrative complexity, and reduce the organization's ability to fully utilize the identity governance platform as intended.

Project No: **96829068** **Optiv Saviynt True Up 2028**

Project Estimate Approach	Not required for projects with less than $250,000 of expenditures.

Project No: **96829068** **Optiv Saviynt True Up 2028**

Customer Benefit	Customers benefit from PNM's ability to maintain secure and reliable systems that support utility operations and customer service functions. The Saviynt Identity and Access Management platform helps ensure that users are granted appropriate access to systems and information based on business need while supporting cybersecurity, compliance, and governance requirements. By maintaining appropriate licensing and platform capabilities, the project helps protect critical systems and sensitive information from unauthorized access and supports the continued reliability of services that enable utility operations.

Project No: **96829068** **Optiv Saviynt True Up 2028**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829068** **Optiv Saviynt True Up 2028**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining effective controls over access to critical systems, applications, and information assets. The Optiv Saviynt True Up project supports these objectives by ensuring that the Identity and Access Management platform remains properly licensed and capable of supporting enterprise security and governance requirements. By maintaining robust identity management capabilities, the project strengthens access controls, improves cybersecurity risk management, and supports the secure operation of the technology environment that enables utility operations.

Technology Advancements

Project No: 96829068 Optiv Saviynt True Up 2028

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829068** **Optiv Saviynt True Up 2028**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829068** **Optiv Saviynt True Up 2028**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829068 Optiv Saviynt True Up 2028

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829068** **Optiv Saviynt True Up 2028**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	1,000	1,000	-	-	-	-	2,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	25,000	-	-	-	-	25,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	4	79	149	-	-	-	231
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	80	80	-	-	-	-	160
914: Pension and Benefits	235	235	-	-	-	-	470
915: Injuries and Damages	22	22	-	-	-	-	43
921: Stores Load	-	817	-	-	-	-	817
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(28,722)	-	-	-	(28,722)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	1,340	27,233	(28,573)	-	-	-	0

Project No: 96829127 Cisco Security ELA 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 7/1/2027

Estimated Completion Date 8/30/2027

Description

The Cisco Security Enterprise License Agreement (ELA) 2027 project renews a three-year Enterprise License Agreement covering a broad portfolio of Cisco cybersecurity, monitoring, analytics, and secure access solutions used throughout TXNM. Technologies covered under the agreement include ThousandEyes, AppDynamics, Cisco XDR, Secure Workload, Cisco Secure Access, Talos threat intelligence services, Secure Malware Analytics, and other Cisco security and observability solutions that support enterprise operations. These tools provide critical capabilities for network visibility, application performance monitoring, threat detection, incident response, malware analysis, secure access management, and cybersecurity operations. Renewal of the agreement ensures continued vendor support, software updates, security enhancements, and access to the cybersecurity technologies that help protect critical business and operational systems.

Project No: **96829127** **Cisco Security ELA 2027**

Project Need Justification

PNM relies on Cisco security technologies to monitor, protect, and manage critical technology infrastructure throughout the enterprise. These solutions provide essential capabilities for cybersecurity threat detection, security analytics, secure connectivity, application monitoring, and incident response. The Cisco Security Enterprise License Agreement is required to maintain access to these technologies and ensure continued vendor support, software maintenance, security intelligence updates, and product enhancements. Without renewal, the organization would face increased cybersecurity risk, reduced supportability, and potential degradation of the security services that protect critical utility and business operations.

Project No: **96829127** **Cisco Security ELA 2027**

Project Alternatives

Alternative 1) Allow the Cisco Security Enterprise License Agreement to expire. This approach would eliminate access to vendor support, software updates, threat intelligence services, and ongoing product maintenance, increasing cybersecurity and operational risks throughout the enterprise.

Alternative 2) Replace Cisco security solutions with alternative vendor products. While alternative technologies exist, migrating to a new security platform would require substantial planning, implementation effort, system integration, retraining, and operational transition activities. This alternative would introduce significant cost and implementation risk while disrupting established security processes.

Project No: **96829127** **Cisco Security ELA 2027**

Project Estimate Approach

The project estimate was developed using Cisco renewal pricing, historical licensing expenditures, anticipated product utilization, and projected growth in security monitoring and threat management requirements over the agreement term. Cost projections were also informed by internal cybersecurity planning activities, technology roadmaps, and evaluations of future operational requirements. The estimate reflects expected licensing, software maintenance, support services, and security intelligence subscriptions necessary to sustain the covered security platforms and maintain enterprise cybersecurity capabilities throughout the life of the agreement.

Project No: **96829127** **Cisco Security ELA 2027**

Customer Benefit

Customers benefit from PNM's ability to maintain secure, reliable, and resilient technology systems that support utility operations. Cisco security technologies help identify cyber threats, monitor network and application performance, support secure access to business systems, and improve the organization's ability to respond to security incidents. By maintaining these capabilities, the Cisco Security Enterprise License Agreement helps protect critical infrastructure and technology systems from disruptions that could impact business operations or customer service. This investment supports the continued delivery of safe and reliable electric service.

Project No: **96829127** **Cisco Security ELA 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829127** **Cisco Security ELA 2027**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining strong cybersecurity protections across critical business and operational systems. The Cisco Security Enterprise License Agreement supports a comprehensive portfolio of technologies that improve threat detection, security monitoring, application visibility, secure access management, and incident response capabilities. By maintaining access to these advanced security tools and threat intelligence services, the project strengthens the organization's cybersecurity posture, protects critical infrastructure, and reduces operational risks associated with evolving cyber threats.

Technology Advancements

Project No: 96829127 Cisco Security ELA 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829127** **Cisco Security ELA 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829127** **Cisco Security ELA 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	3,400,000	3,400,000	-	6,800,000
370: Outside Services	5,000	5,000	-	10,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	9,683	31,079	-	40,763
610: Expenses - General	-	728,000	-	728,000
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	111,112	111,112	-	222,224
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	(7,800,987)	-	(7,800,987)
825: Closing Cost of Removal	-	-	-	-
Project Net	3,525,795	(3,525,795)	-	-

Project No: 96829127 Cisco Security ELA 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	6,800,000	-	-	-	6,800,000	-	-	-
370: Outside Services	10,000	-	-	-	10,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	40,763	-	-	-	40,763	-	-	-
610: Expenses - General	728,000	-	-	-	728,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	222,224	-	-	-	222,224	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(7,800,987)	-	-	-	(7,800,987)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829127** **Cisco Security ELA 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	6,800,000
370: Outside Services	-	-	-	-	-	-	10,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	40,763
610: Expenses - General	-	-	-	-	-	-	728,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	222,224
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(7,800,987)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829146 Ent Firewall Renewal 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 5/1/2026

Estimated Completion Date 10/31/2026

Description

The Enterprise Firewall Renewal 2026 project replaces aging Palo Alto enterprise firewall infrastructure that protects PNM's internal networks, data centers, business applications, and critical technology systems from unauthorized access and cyber threats. Firewalls serve as a foundational layer of the company's cybersecurity architecture by inspecting network traffic, enforcing security policies, preventing unauthorized connections, and supporting secure communications throughout the enterprise. This project refreshes existing firewall hardware and software with current-generation, vendor-supported technology that provides enhanced security capabilities, improved performance, continued vendor support, and ongoing access to cybersecurity updates and threat protection features. The investment strengthens the organization's ability to defend critical infrastructure and maintain secure, reliable operations.

Project No: 96829146 Ent Firewall Renewal 2026

Project Need Justification	PNM relies on enterprise-class firewall technology as a primary control for protecting critical business systems, operational technology environments, and sensitive company information from increasingly sophisticated cyber threats. Existing firewall infrastructure has reached the end of its useful lifecycle and is becoming more difficult to support, maintain, and secure. The Enterprise Firewall Renewal 2026 project is necessary to replace aging equipment with current-generation technology capable of supporting evolving cybersecurity requirements, vendor support standards, and threat detection capabilities. Failure to refresh this infrastructure would increase cybersecurity risk, reduce supportability, and expose critical systems to potential vulnerabilities associated with unsupported security technologies.

Project No: **96829146** **Ent Firewall Renewal 2026**

Project Alternatives

Alternative 1) Continue operating existing firewall infrastructure beyond its supported lifecycle. This approach would increase operational and cybersecurity risks by limiting access to vendor support, software updates, security patches, and new threat protection capabilities. Unsupported firewalls may become increasingly vulnerable to emerging cyber threats.

Alternative 2) Replace the existing Palo Alto firewall environment with an alternative vendor solution. While competing solutions exist, a migration would require significant planning, architecture redesign, testing, implementation effort, retraining, and operational transition activities. This alternative would introduce additional costs and implementation risk without demonstrating a clear benefit over the existing platform.

Project No: **96829146** **Ent Firewall Renewal 2026**

Project Estimate Approach	Project cost estimates were developed using vendor budgetary proposals, historical firewall refresh expenditures, anticipated capacity and performance requirements, and internal cybersecurity architecture assessments. The estimate reflects the expected costs associated with hardware replacement, software licensing, implementation services, support agreements, and deployment activities required to maintain enterprise security standards. Planning assumptions were informed by operational experience managing critical cybersecurity infrastructure, evaluation of future security requirements, and benchmarking against comparable technology lifecycle replacement initiatives.

Project No: **96829146** **Ent Firewall Renewal 2026**

Customer Benefit	Customers benefit from PNM's ability to maintain secure, reliable, and resilient technology systems that support utility operations and customer service functions. Enterprise firewalls provide critical protection against cyber threats that could disrupt business applications, operational systems, and supporting technology infrastructure. By replacing aging firewall technology with modern, supported security platforms, the project strengthens cybersecurity defenses, reduces the risk of service interruptions, and helps protect the systems that support the safe and reliable delivery of electric service.

Project No: **96829146** **Ent Firewall Renewal 2026**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829146** **Ent Firewall Renewal 2026**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining strong cybersecurity protections for critical business and operational systems. The Enterprise Firewall Renewal 2026 project strengthens the organization's security posture by deploying modern firewall technology capable of identifying, preventing, and responding to evolving cyber threats. Enhanced security capabilities, continued vendor support, and ongoing access to threat intelligence updates help protect critical infrastructure, sensitive information, and technology services from unauthorized access and malicious activity. This investment supports a secure operating environment and reduces risks that could impact utility operations or business continuity.

Technology Advancements

Project No: 96829146 Ent Firewall Renewal 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	3,333	3,333	3,333	3,333	-	-	13,333
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	166,667	166,667	166,667	166,667	-	-	666,667
370: Outside Services	-	8,333	8,333	8,333	8,333	-	-	33,333
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	466	1,386	2,313	3,342	-	-	7,507
610: Expenses - General	-	-	-	-	42,071	-	-	42,071
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	267	267	267	267	-	-	1,067
914: Pension and Benefits	-	728	728	728	728	-	-	2,911
915: Injuries and Damages	-	66	66	66	66	-	-	265
921: Stores Load	-	7,147	7,147	7,147	7,147	-	-	28,587
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	(795,741)	-	-	(795,741)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	187,006	187,926	188,854	(563,786)	-	-	-

Project No: **96829146** **Ent Firewall Renewal 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	13,333	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	666,667	-	-	-	-	-	-
370: Outside Services	33,333	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	7,507	-	-	-	-	-	-
610: Expenses - General	42,071	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	1,067	-	-	-	-	-	-
914: Pension and Benefits	2,911	-	-	-	-	-	-
915: Injuries and Damages	265	-	-	-	-	-	-
921: Stores Load	28,587	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(795,741)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829146** **Ent Firewall Renewal 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	13,333
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	666,667
370: Outside Services	-	-	-	33,333
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	7,507
610: Expenses - General	-	-	-	42,071
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	1,067
914: Pension and Benefits	-	-	-	2,911
915: Injuries and Damages	-	-	-	265
921: Stores Load	-	-	-	28,587
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(795,741)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829146 Ent Firewall Renewal 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	13,333	-	-	-	13,333	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	666,667	-	-	-	666,667	-	-	-
370: Outside Services	33,333	-	-	-	33,333	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	7,507	-	-	-	7,507	-	-	-
610: Expenses - General	42,071	-	-	-	42,071	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,067	-	-	-	1,067	-	-	-
914: Pension and Benefits	2,911	-	-	-	2,911	-	-	-
915: Injuries and Damages	265	-	-	-	265	-	-	-
921: Stores Load	28,587	-	-	-	28,587	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(795,741)	-	-	-	(795,741)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829146** **Ent Firewall Renewal 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	13,333
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	666,667
370: Outside Services	-	-	-	-	-	-	33,333
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	7,507
610: Expenses - General	-	-	-	-	-	-	42,071
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	1,067
914: Pension and Benefits	-	-	-	-	-	-	2,911
915: Injuries and Damages	-	-	-	-	-	-	265
921: Stores Load	-	-	-	-	-	-	28,587
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(795,741)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829157 Lewisville Network Refresh 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Denton (TX)	100%	

Estimated Start Date 4/1/2027

Estimated Completion Date 12/31/2027

Description

The Lewisville Network Refresh 2027 project modernizes the network infrastructure supporting TXNM's Texas data center and associated edge locations by implementing a scalable and standardized network architecture. The project includes upgrades to routing, switching, transport connectivity, uplinks, and network management capabilities that support data center operations, branch connectivity, security services, and future technology initiatives. The refreshed architecture is designed to improve resiliency, simplify network growth, support increased bandwidth demands, and provide a stable foundation for virtualization platforms, cybersecurity services, backup operations, and future business applications. By standardizing network configurations and improving traffic management capabilities, the project strengthens the reliability and scalability of the enterprise network environment.

Project No: 96829157 Lewisville Network Refresh 2027

Project Need Justification

TXNM's network infrastructure serves as the foundation for business applications, communications systems, cybersecurity platforms, data center operations, and utility support functions. As business requirements evolve and technology demands increase, the organization requires a more scalable and resilient architecture capable of supporting continued growth and improved operational performance. The Lewisville Network Refresh 2027 project is needed to modernize aging network components, improve network availability, reduce operational complexity, and provide a consistent architecture that supports future expansion. The project also enhances disaster recovery preparedness, improves failover capabilities, and reduces risks associated with network outages and configuration inconsistencies.

Project No: 96829157 Lewisville Network Refresh 2027

Project Alternatives

Alternative 1) Continue operating the existing network environment without major modernization. This approach may increase operational risk over time as network infrastructure ages, capacity demands grow, and complexity increases. It may also limit scalability and reduce the organization's ability to support future technology initiatives.

Alternative 2) Implement incremental upgrades to individual network components as needs arise. While this approach may address short-term requirements, it does not provide a comprehensive modernization strategy and may result in inconsistent architecture, increased management complexity, and reduced long-term efficiency.

Project No: 96829157 Lewisville Network Refresh 2027

Project Estimate Approach	Project cost projections were developed through a combination of infrastructure planning activities, solution architecture reviews, vendor budgetary pricing, and internal engineering evaluations of network capacity and resiliency requirements. The estimating process incorporated lessons learned from prior network modernization efforts, input from technology advisors familiar with large-scale infrastructure transformations, and operational experience managing enterprise networking environments. Costs reflect anticipated expenditures associated with hardware, software, implementation services, testing activities, and deployment efforts required to establish the future-state network architecture while supporting long-term business and operational objectives.

Project No: **96829157** **Lewisville Network Refresh 2027**

Customer Benefit

Customers benefit from TXNM's ability to maintain reliable and resilient technology infrastructure that supports utility operations and customer-facing services. The Lewisville Network Refresh 2027 project improves network stability, enhances business continuity capabilities, and strengthens the infrastructure supporting critical applications and communications systems. By reducing the potential for network-related service disruptions and improving recovery capabilities during planned and unplanned events, the project supports the continued delivery of safe and reliable electric service.

Project No: **96829157** **Lewisville Network Refresh 2027**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96829157** **Lewisville Network Refresh 2027**

General Services

Reliability & Resiliency

TXNM's ability to provide safe and reliable electric service depends on maintaining a resilient and scalable network infrastructure capable of supporting critical business and operational systems. The Lewisville Network Refresh 2027 project strengthens reliability and resiliency by modernizing core network architecture, improving failover capabilities, reducing operational complexity, and supporting future technology growth. By enhancing network availability and providing a stable platform for data center, security, and application services, the project helps ensure the continued reliability of the technology environment that supports utility operations.

Safety & Security

Technology Advancements

Project No: 96829157 Lewisville Network Refresh 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 96829157 Lewisville Network Refresh 2027

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	8,333	8,333	8,333
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	13,333	13,333	13,333
370: Outside Services	-	-	-	-	13,111	13,111	13,111
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	105	323	541
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	667	667	667
914: Pension and Benefits	-	-	-	-	1,959	1,959	1,959
915: Injuries and Damages	-	-	-	-	181	181	181
921: Stores Load	-	-	-	-	436	436	436
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	38,125	38,343	38,561

Project No: **96829157** **Lewisville Network Refresh 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	8,333	8,333	8,333	50,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	13,333	13,333	13,333	80,000
370: Outside Services	13,111	13,111	13,111	78,667
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	738	951	1,166	3,824
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	667	667	667	4,000
914: Pension and Benefits	1,959	1,959	1,959	11,755
915: Injuries and Damages	181	181	181	1,085
921: Stores Load	436	436	436	2,614
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	38,758	38,971	39,186	231,945

Project No: 96829157 Lewisville Network Refresh 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	50,000	8,333	8,333	8,333	75,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	80,000	13,333	13,333	13,333	120,000	-	-	-
370: Outside Services	78,667	13,111	13,111	13,111	118,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	3,824	1,353	1,566	1,817	8,560	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,000	667	667	667	6,000	-	-	-
914: Pension and Benefits	11,755	1,959	1,959	1,959	17,633	-	-	-
915: Injuries and Damages	1,085	181	181	181	1,627	-	-	-
921: Stores Load	2,614	436	436	436	3,922	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(350,742)	(350,742)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	231,945	39,373	39,586	(310,905)	-	-	-	-

Project No: **96829157** **Lewisville Network Refresh 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	75,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	120,000
370: Outside Services	-	-	-	-	-	-	118,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	8,560
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,000
914: Pension and Benefits	-	-	-	-	-	-	17,633
915: Injuries and Damages	-	-	-	-	-	-	1,627
921: Stores Load	-	-	-	-	-	-	3,922
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(350,742)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829228 NetApp Banner Storage ELA 2028

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2028

Estimated Completion Date 5/31/2028

Description

The NetApp Banner Storage Enterprise License Agreement (ELA) project renews a three-year Enterprise License Agreement and technology refresh program for NetApp storage infrastructure and associated software components used throughout the enterprise. NetApp storage systems provide foundational data storage services that support business applications, virtualized environments, databases, backup and recovery operations, and other critical technology platforms. The agreement provides continued access to vendor support, software updates, maintenance services, hardware refresh capabilities, and storage management functionality necessary to maintain a secure, reliable, and scalable storage environment. This investment helps ensure the continued availability, performance, and protection of critical business data and technology services that support utility operations.

Project No: 96829228 NetApp Banner Storage ELA 2028

Project Need Justification

PNM relies on enterprise storage infrastructure to support critical business applications, databases, virtual server environments, backup processes, and disaster recovery capabilities. Storage hardware and software components require periodic refresh and maintenance to maintain performance, reliability, vendor support, and cybersecurity protections. Renewal of the NetApp Banner Storage Enterprise License Agreement is necessary to ensure continued support for these systems, maintain access to software updates and security patches, and provide lifecycle management for critical storage infrastructure. Without continued vendor support and refresh capabilities, the organization would face increased operational risk, technology obsolescence, and potential impacts to the availability of critical systems and data.

Project No: **96829228** **NetApp Banner Storage ELA 2028**

Project Alternatives

Alternative 1) Allow the Enterprise License Agreement to expire and continue operating the storage environment without vendor support. This approach would increase operational risk by limiting access to software updates, security patches, hardware maintenance, and technical support services. Over time, the reliability and supportability of the storage environment could deteriorate.

Alternative 2) Replace the existing NetApp storage platform with an alternative storage solution. While alternative technologies are available, a migration would require significant planning, implementation effort, data migration activities, testing, and retraining. This approach would introduce higher costs, increased implementation risks, and potential disruptions to business operations.

Project No: **96829228** **NetApp Banner Storage ELA 2028**

Project Estimate Approach	The project estimate was developed using available vendor pricing information, historical storage infrastructure expenditures, anticipated capacity and support requirements, and internal assessments of future technology needs. Planning assumptions were informed by experience managing enterprise storage environments, review of current infrastructure lifecycle requirements, and benchmarking information obtained through industry resources and technology partners. The estimate reflects expected licensing, maintenance, support, and hardware refresh costs necessary to sustain a reliable and supportable storage platform throughout the agreement period.

Project No: **96829228** **NetApp Banner Storage ELA 2028**

Customer Benefit	Customers benefit from PNM's ability to maintain secure, reliable, and highly available technology systems that support utility operations and customer service functions. The NetApp Banner Storage ELA project helps ensure critical business applications and data remain accessible by maintaining vendor-supported storage infrastructure and associated services. By improving storage reliability, supporting disaster recovery capabilities, and reducing the risk of infrastructure failures, the project helps maintain continuity of business operations and supports the reliable delivery of electric service.

Project No: **96829228** **NetApp Banner Storage ELA 2028**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96829228** **NetApp Banner Storage ELA 2028**

General Services

Reliability & Resiliency

PNM's ability to provide safe and reliable electric service depends on maintaining resilient technology infrastructure capable of protecting and delivering critical business information. The NetApp Banner Storage ELA project strengthens reliability and resiliency by ensuring continued support, maintenance, and lifecycle management of enterprise storage systems. These capabilities improve data availability, support business continuity objectives, enhance disaster recovery readiness, and reduce operational risks associated with aging infrastructure. Maintaining a stable and supported storage platform helps ensure critical technology services remain available to support utility operations.

Safety & Security

Technology Advancements

Project No: 96829228 NetApp Banner Storage ELA 2028

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829228** **NetApp Banner Storage ELA 2028**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829228** **NetApp Banner Storage ELA 2028**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829228 NetApp Banner Storage ELA 2028

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	500	500
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2	5
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	40	40
914: Pension and Benefits	-	-	-	-	-	-	118	118
915: Injuries and Damages	-	-	-	-	-	-	11	11
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	670	674

Project No: **96829228** **NetApp Banner Storage ELA 2028**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	500	500	-	-	-	-	2,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	235,000	-	-	-	-	235,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	9	730	-	-	-	-	745
610: Expenses - General	-	27,500	-	-	-	-	27,500
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	40	40	-	-	-	-	160
914: Pension and Benefits	118	118	-	-	-	-	470
915: Injuries and Damages	11	11	-	-	-	-	43
921: Stores Load	-	7,680	-	-	-	-	7,680
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	(273,599)	-	-	-	-	(273,599)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	677	(2,021)	-	-	-	-	-

Project No: **96829247** **Broadcom ELA 2027**

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information County % Bernalillo 100%

Estimated Start Date 1/1/2027

Estimated Completion Date 3/31/2027

Description

The Broadcom ELA 2027 project renews a three-year Enterprise License Agreement covering critical virtualization, infrastructure, and information security technologies used throughout PNM. The agreement consolidates software, support, and maintenance services that were previously managed through separate VMware-related enterprise agreements and now fall under Broadcom ownership. These technologies support core data center operations, virtual server environments, application hosting, disaster recovery capabilities, cybersecurity functions, and other critical infrastructure services. Renewal of the enterprise license agreement ensures continued vendor support, software updates, security enhancements, and access to technology platforms that are foundational to the reliable operation of business and utility systems.

Project No: 96829247 Broadcom ELA 2027

Project Need Justification

PNM relies extensively on virtualization and infrastructure software to support business applications, cybersecurity tools, communications systems, and technology services throughout the enterprise. These platforms provide critical capabilities for server virtualization, workload management, infrastructure resiliency, application availability, and disaster recovery operations. Renewal of the Broadcom Enterprise License Agreement is necessary to maintain vendor support, security updates, and continued access to software capabilities that support day-to-day operations. Failure to renew the agreement would increase operational risk, limit supportability, and potentially impact the availability and security of critical business and operational systems.

Project No: **96829247** **Broadcom ELA 2027**

Project Alternatives

Alternative 1) Allow the Broadcom Enterprise License Agreement to expire and continue operating without vendor support. This approach would increase operational and cybersecurity risks by eliminating access to software updates, security patches, technical support, and future product enhancements. Continued use of unsupported software could create reliability, compliance, and security concerns.

Alternative 2) Replace the existing virtualization and infrastructure platforms with alternative solutions. While alternative technologies exist, a large-scale migration would require significant planning, testing, implementation effort, retraining, and potential redesign of critical systems. Such a transition would introduce substantial cost, operational disruption, and project risk.

Project No: **96829247** **Broadcom ELA 2027**

Project Estimate Approach	The project estimate was developed using a combination of vendor pricing information, anticipated licensing and support requirements, and internal evaluation of infrastructure platform utilization across the enterprise. Cost assumptions were informed by market analysis, input from external advisors with experience in large-scale technology and risk management initiatives, and PNM's historical experience operating and managing mission-critical infrastructure platforms. Additional consideration was given to expected growth in virtualization, infrastructure, and cybersecurity service demands during the agreement period. The resulting estimate reflects projected software subscription costs, maintenance obligations, support services, and associated administrative requirements necessary to sustain these enterprise platforms over the life of the agreement.

Project No: **96829247** **Broadcom ELA 2027**

Customer Benefit	Customers benefit from PNM's ability to maintain reliable, secure, and resilient technology systems that support electric utility operations. The Broadcom Enterprise License Agreement supports the virtualization and infrastructure platforms that host business applications, cybersecurity tools, communications systems, and operational technology services. By maintaining vendor-supported infrastructure and ensuring continued access to updates and security enhancements, the project helps reduce the risk of service disruptions and supports the reliable delivery of services that enable safe and dependable electric operations.

Project No: **96829247** **Broadcom ELA 2027**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96829247** **Broadcom ELA 2027**

General Services

Reliability & Resiliency

PNM's ability to provide safe and reliable electric service depends on the availability and resiliency of the technology infrastructure that supports business and operational systems. The Broadcom Enterprise License Agreement supports foundational virtualization and infrastructure platforms that enable application availability, disaster recovery capabilities, and efficient operation of enterprise technology services. By maintaining vendor-supported software and access to ongoing updates, security enhancements, and technical support, the project strengthens infrastructure resiliency, reduces operational risk, and helps ensure continuity of critical technology services that support utility operations.

Safety & Security

Technology Advancements

Project No: 96829247 Broadcom ELA 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829247** **Broadcom ELA 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	1,500	1,500	1,500	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	4,500,000	5,100,000	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	6	13,500	40,703	-	-	-
610: Expenses - General	-	-	-	26,048	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	120	120	120	-	-	-
914: Pension and Benefits	-	353	353	353	-	-	-
915: Injuries and Damages	-	33	33	33	-	-	-
921: Stores Load	-	-	147,060	166,668	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(10,000,000)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	2,011	4,662,565	(4,664,576)	-	-	-

Project No: 96829247 Broadcom ELA 2027

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	4,500
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	9,600,000
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	54,208
610: Expenses - General	-	-	-	26,048
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	360
914: Pension and Benefits	-	-	-	1,058
915: Injuries and Damages	-	-	-	98
921: Stores Load	-	-	-	313,728
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(10,000,000)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829247 Broadcom ELA 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	4,500	-	-	-	4,500	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	9,600,000	-	-	-	9,600,000	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	54,208	-	-	-	54,208	-	-	-
610: Expenses - General	26,048	-	-	-	26,048	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	360	-	-	-	360	-	-	-
914: Pension and Benefits	1,058	-	-	-	1,058	-	-	-
915: Injuries and Damages	98	-	-	-	98	-	-	-
921: Stores Load	313,728	-	-	-	313,728	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(10,000,000)	-	-	-	(10,000,000)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829247** **Broadcom ELA 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	4,500
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	9,600,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	54,208
610: Expenses - General	-	-	-	-	-	-	26,048
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	360
914: Pension and Benefits	-	-	-	-	-	-	1,058
915: Injuries and Damages	-	-	-	-	-	-	98
921: Stores Load	-	-	-	-	-	-	313,728
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(10,000,000)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829257 Lewisville Load Balancer F5 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Denton (TX) 100%

Estimated Start Date 3/1/2027

Estimated Completion Date 12/31/2027

Description

The Lewisville Load Balancer F5 project implements load balancing capabilities at TXNM's secondary site to enhance application availability, disaster recovery readiness, and business continuity. The project establishes resilient application delivery services that distribute and direct traffic to available application resources, enabling critical systems to remain accessible during planned maintenance activities, infrastructure disruptions, or primary site outages. By providing automated traffic management and failover capabilities, the solution strengthens application resiliency, improves service availability, and supports continuity of operations for business and utility systems that support customers and internal operations.

Project No: 96829257 Lewisville Load Balancer F5 2027

Project Need Justification

TXNM relies on numerous business and operational applications that must remain available to support utility operations, customer service functions, and internal business activities. While existing infrastructure supports primary application delivery, additional resiliency is needed to ensure critical services can continue operating when the primary environment is unavailable or degraded. The Lewisville Load Balancer F5 project is needed to enhance disaster recovery capabilities, improve application availability, and establish automated traffic redirection mechanisms that support business continuity objectives. The project reduces single points of failure and strengthens the organization's ability to maintain application services during infrastructure disruptions and recovery events.

Project No: 96829257 Lewisville Load Balancer F5 2027

Project Alternatives

Alternative 1) Continue operating without load balancing capabilities at the secondary site. This approach increases reliance on primary site infrastructure and may result in longer recovery times, reduced resiliency, and increased risk of service interruptions during maintenance activities, outages, or disaster recovery events.

Alternative 2) Rely on manual failover and traffic redirection procedures. While manual processes may provide a means of restoring services following disruptions, they may increase recovery times, require additional operational effort, and introduce greater risk of errors during critical recovery activities.

Project No: 96829257 Lewisville Load Balancer F5 2027

Project Estimate Approach	Project estimates are based on vendor budgetary quotations, infrastructure design requirements, anticipated implementation services, and internal engineering assessments. Estimates for projects of this type also derive from industry expertise obtained through leading consulting firms, such as Ernst & Young, combined with PNM's experience implementing and supporting similar technology solutions. Cost projections include hardware, software, configuration activities, testing, deployment efforts, and integration requirements associated with implementing load balancing services within the secondary site environment. Historical experience with comparable infrastructure resiliency initiatives, current market pricing, and anticipated capacity requirements were also considered when developing the estimate.

Project No: **96829257** **Lewisville Load Balancer F5 2027**

Customer Benefit	Customers benefit from TXNM's ability to maintain reliable technology systems that support utility operations and customer service functions. The Lewisville Load Balancer F5 project improves the availability and resiliency of critical applications by enabling traffic to be redirected to healthy services when primary resources are unavailable. By reducing potential downtime, improving recovery capabilities, and supporting business continuity, the project helps ensure that systems supporting customer interactions and utility operations remain available and reliable.

Project No: **96829257** **Lewisville Load Balancer F5 2027**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96829257** **Lewisville Load Balancer F5 2027**

General Services

Reliability & Resiliency

TXNM's ability to provide safe and reliable electric service depends on maintaining resilient technology infrastructure and continuity of critical business applications. The Lewisville Load Balancer F5 project strengthens reliability and resiliency by providing automated traffic distribution, improved failover capabilities, and enhanced disaster recovery readiness. By reducing single points of failure and improving the organization's ability to maintain application availability during disruptive events, the project supports dependable technology operations and long-term business continuity objectives.

Safety & Security

Technology Advancements

Project No: 96829257 Lewisville Load Balancer F5 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829257** **Lewisville Load Balancer F5 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	5,000	5,000	5,000	5,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	8,000	8,000	8,000	8,000
370: Outside Services	-	-	-	6,500	6,500	6,500	6,500
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	61	181	310	436
610: Expenses - General	-	-	-	400	400	400	400
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	400	400	400	400
914: Pension and Benefits	-	-	-	1,176	1,176	1,176	1,176
915: Injuries and Damages	-	-	-	109	109	109	109
921: Stores Load	-	-	-	261	261	261	261
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	21,906	22,027	22,156	22,282

Project No: **96829257** **Lewisville Load Balancer F5 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	5,000	5,000	5,000	35,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	8,000	8,000	8,000	56,000
370: Outside Services	6,500	6,500	6,500	45,500
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	547	670	794	2,999
610: Expenses - General	400	400	400	2,800
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	400	400	400	2,800
914: Pension and Benefits	1,176	1,176	1,176	8,229
915: Injuries and Damages	109	109	109	760
921: Stores Load	261	261	261	1,830
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	22,392	22,515	22,639	155,917

Project No: 96829257 Lewisville Load Balancer F5 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	35,000	5,000	5,000	5,000	50,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	56,000	8,000	8,000	8,000	80,000	-	-	-
370: Outside Services	45,500	6,500	6,500	6,500	65,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,999	900	1,022	1,170	6,091	-	-	-
610: Expenses - General	2,800	400	400	400	4,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,800	400	400	400	4,000	-	-	-
914: Pension and Benefits	8,229	1,176	1,176	1,176	11,755	-	-	-
915: Injuries and Damages	760	109	109	109	1,085	-	-	-
921: Stores Load	1,830	261	261	261	2,614	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(224,546)	(224,546)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	155,917	22,745	22,868	(201,530)	-	-	-	-

Project No: **96829257** **Lewisville Load Balancer F5 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	50,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	80,000
370: Outside Services	-	-	-	-	-	-	65,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	6,091
610: Expenses - General	-	-	-	-	-	-	4,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,000
914: Pension and Benefits	-	-	-	-	-	-	11,755
915: Injuries and Damages	-	-	-	-	-	-	1,085
921: Stores Load	-	-	-	-	-	-	2,614
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(224,546)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829266 Web App Mod Prog 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2026

Estimated Completion Date 12/31/2026

Description

The Web Application Modernization 2026 project modernizes a portfolio of internally developed business applications and supporting technologies that currently operate on aging and increasingly unsupported architectures. The project includes modernization of prioritized web applications, SQL Server Integration Services (SSIS) packages, SQL jobs, stored procedures, reporting solutions, and related application components. The effort is focused on transitioning legacy technologies to modern, scalable, supportable, and secure platforms that improve maintainability, application performance, system reliability, and long-term supportability. By modernizing critical business applications and their supporting technology stacks, the project reduces technology risk, improves operational efficiency, and provides a foundation for future business and technology needs.

Project No: **96829266** **Web App Mod Prog 2026**

Project Need Justification	Many internally developed applications that support business operations rely on technologies that are approaching obsolescence or have become increasingly difficult to maintain and support. Aging application architectures create operational risks, cybersecurity concerns, compatibility limitations, and increased maintenance costs. The Web Application Modernization 2026 project is needed to replace outdated technologies with current, vendor-supported platforms and development frameworks that improve application stability, security, and maintainability. Modernization efforts will also simplify future enhancements, improve integration capabilities, and reduce technical debt, helping ensure critical business applications remain reliable and effective in supporting utility operations.

Project No: **96829266** **Web App Mod Prog 2026**

Project Alternatives

Alternative 1) Continue operating existing applications on current legacy platforms. This approach increases the risk of application failures, compatibility issues, cybersecurity vulnerabilities, and rising support costs as technologies become obsolete and vendor support diminishes.

Alternative 2) Perform only limited maintenance and patching activities while retaining existing architectures. Although this approach may delay modernization costs, it does not address underlying technical debt, supportability concerns, or long-term risks associated with aging technologies and increasing maintenance complexity.

Project No: **96829266** **Web App Mod Prog 2026**

Project Estimate Approach	Project estimates are based on detailed assessments of the existing application portfolio, anticipated modernization requirements, historical experience from similar technology initiatives, and input from qualified vendors and implementation partners. Estimates for comparable modernization efforts have incorporated industry expertise obtained from leading consulting organizations, such as Ernst & Young, in combination with PNM's experience implementing and supporting similar business systems and technology platforms. Cost projections include activities associated with application remediation, code conversion, testing, infrastructure updates, integration modifications, project management, and user acceptance activities. Estimates will continue to be refined as application inventories, technical dependencies, and modernization priorities are further evaluated during project planning and execution.

Project No: **96829266** **Web App Mod Prog 2026**

Customer Benefit

Customers benefit from PNM's ability to maintain reliable, secure, and efficient business systems that support utility operations and customer service functions. The Web Application Modernization 2026 project improves the stability and performance of applications that support important business processes while reducing the risk of outages or service disruptions caused by obsolete technologies. Modernized applications are easier to support, maintain, and enhance, helping the organization respond more efficiently to evolving business needs while supporting the continued delivery of safe and reliable electric service.

Project No: **96829266** **Web App Mod Prog 2026**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96829266** **Web App Mod Prog 2026**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

PNM's ability to provide safe and reliable electric service depends on maintaining modern, secure, and scalable technology platforms that support business operations. The project advances the organization's technology environment by replacing obsolete application architectures with current, supportable technologies that improve reliability, maintainability, and security. By reducing technical debt, improving application performance, and creating a foundation for future enhancements, the project strengthens operational effectiveness and supports the long-term sustainability of critical business systems.

Project No: 96829266 Web App Mod Prog 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	4,545	4,545	4,545	4,545	4,545	4,545	27,273
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	909	909	909	909	909	909	5,455
370: Outside Services	-	10,000	10,000	10,000	10,000	10,000	10,000	60,000
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	42	126	210	294	449	676	1,797
610: Expenses - General	-	-	-	-	-	30,000	26,500	56,500
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	364	364	364	364	364	364	2,182
914: Pension and Benefits	-	992	992	992	992	992	992	5,954
915: Injuries and Damages	-	90	90	90	90	90	90	543
921: Stores Load	-	39	39	39	39	39	39	234
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(159,936)	(159,936)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	16,982	17,066	17,150	17,234	47,389	(115,821)	-

Project No: **96829266** **Web App Mod Prog 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	27,273	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	5,455	-	-	-	-	-	-
370: Outside Services	60,000	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	1,797	-	-	-	-	-	-
610: Expenses - General	56,500	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	2,182	-	-	-	-	-	-
914: Pension and Benefits	5,954	-	-	-	-	-	-
915: Injuries and Damages	543	-	-	-	-	-	-
921: Stores Load	234	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(159,936)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829266** **Web App Mod Prog 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	27,273
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	5,455
370: Outside Services	-	-	-	60,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	1,797
610: Expenses - General	-	-	-	56,500
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	2,182
914: Pension and Benefits	-	-	-	5,954
915: Injuries and Damages	-	-	-	543
921: Stores Load	-	-	-	234
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(159,936)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829266 Web App Mod Prog 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	27,273	-	-	-	27,273	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	5,455	-	-	-	5,455	-	-	-
370: Outside Services	60,000	-	-	-	60,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,797	-	-	-	1,797	-	-	-
610: Expenses - General	56,500	-	-	-	56,500	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,182	-	-	-	2,182	-	-	-
914: Pension and Benefits	5,954	-	-	-	5,954	-	-	-
915: Injuries and Damages	543	-	-	-	543	-	-	-
921: Stores Load	234	-	-	-	234	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(159,936)	-	-	-	(159,936)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829266** **Web App Mod Prog 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	27,273
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	5,455
370: Outside Services	-	-	-	-	-	-	60,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	1,797
610: Expenses - General	-	-	-	-	-	-	56,500
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	2,182
914: Pension and Benefits	-	-	-	-	-	-	5,954
915: Injuries and Damages	-	-	-	-	-	-	543
921: Stores Load	-	-	-	-	-	-	234
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(159,936)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829348 Pathlock ELA 2028

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 7/1/2028

Estimated Completion Date 9/30/2028

Description

The Pathlock Enterprise License Agreement (ELA) 2028 project renews a three-year Enterprise License Agreement for the Pathlock platform, a cloud-based solution used to support application security, access governance, compliance monitoring, and business process controls throughout PNM. Pathlock provides capabilities for managing user access, monitoring segregation of duties, automating compliance activities, and identifying control weaknesses across enterprise applications. Renewal of the enterprise license agreement ensures continued access to the platform, vendor support, software updates, security enhancements, and ongoing compliance monitoring capabilities that support business operations, cybersecurity objectives, and regulatory requirements.

Project No: 96829348 Pathlock ELA 2028

Project Need Justification

PNM relies on application security and access governance controls to protect sensitive information, support compliance obligations, and reduce operational risk. The Pathlock platform provides centralized visibility into user access rights, segregation of duties conflicts, and compliance-related activities across critical business applications. Renewal of the Enterprise License Agreement is necessary to maintain support for these capabilities, ensure continued vendor maintenance and updates, and preserve the automated controls that help manage security, governance, and compliance requirements. Without renewal, the organization would face increased administrative burden, reduced visibility into application controls, and greater operational and compliance risk.

Project No: **96829348** **Pathlock ELA 2028**

Project Alternatives

Alternative 1) Allow the Pathlock Enterprise License Agreement to expire and perform access governance and compliance activities manually. This approach would increase administrative effort, reduce consistency in control monitoring, and increase the risk of human error in compliance and security processes.

Alternative 2) Replace Pathlock with a different governance, risk, and compliance solution. While alternative products are available, transitioning to a new platform would require significant implementation effort, process redesign, system integration, testing, and user retraining. This alternative would introduce additional costs and operational risks while providing no demonstrated advantage over the existing solution.

Project No: **96829348** **Pathlock ELA 2028**

Project Estimate Approach	Project cost estimates were developed using renewal pricing provided by the software vendor, anticipated licensing requirements, and evaluations of future platform usage across supported business applications. Cost assumptions incorporate subscription fees, software maintenance, vendor support services, and anticipated growth in governance and compliance requirements over the agreement period. The estimate was informed by PNM's historical experience operating enterprise compliance platforms, review of comparable software renewals, and assessment of ongoing business needs associated with application security and governance activities.

Project No: **96829348** **Pathlock ELA 2028**

Customer Benefit	Customers benefit from PNM's ability to maintain secure, compliant, and well-governed business systems that support utility operations. The Pathlock platform helps protect sensitive information and critical business processes by monitoring access controls, identifying potential risks, and supporting compliance requirements across enterprise applications. By improving visibility into security and control activities, automating key compliance functions, and reducing operational risk, the project supports the continued reliability and integrity of the systems that enable PNM to provide safe and dependable electric service.

Project No: **96829348** **Pathlock ELA 2028**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96829348** **Pathlock ELA 2028**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

As business applications become increasingly interconnected and regulatory expectations continue to evolve, organizations require more sophisticated tools to govern access, monitor controls, and manage compliance obligations. PNM continues to invest in technologies that improve transparency, automation, and oversight across critical business processes. The Pathlock platform provides advanced governance and application control capabilities that enhance visibility into user activities, streamline compliance efforts, and improve management of critical security controls. By leveraging modern governance technologies, PNM strengthens its ability to manage risk, improve operational efficiency, and support the secure operation of business systems.

Project No: 96829348 Pathlock ELA 2028

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829348** **Pathlock ELA 2028**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829348** **Pathlock ELA 2028**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829348 Pathlock ELA 2028

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: 96829348 Pathlock ELA 2028

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	1,000	1,000	1,000	3,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	143,000	143,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	3	10	411	425
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	80	80	80	240
914: Pension and Benefits	-	-	-	235	235	235	705
915: Injuries and Damages	-	-	-	22	22	22	65
921: Stores Load	-	-	-	-	-	4,673	4,673
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	(152,108)	(152,108)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	1,340	1,347	(2,687)	-

Project No: **96829357** **Lewisville Sec Stack Modern 2027**

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information County % Denton (TX) 100%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Lewisville Security Stack Modernization project deploys and refreshes core security infrastructure supporting TXNM's Texas operations by establishing a highly available security services platform at the Lewisville facility. The project provides network perimeter inspection, internal network segmentation enforcement, virtual private network (VPN) services, centralized security service hosting, and security telemetry collection capabilities. Modernizing the security stack improves visibility into network activity, strengthens cybersecurity defenses, enhances failover and resiliency capabilities, and supports centralized security operations. This investment establishes Lewisville as a secure and resilient hub for security services while improving the organization's ability to detect, investigate, and respond to cybersecurity threats.

Project No: 96829357 Lewisville Sec Stack Modern 2027

Project Need Justification

TXNM's Texas operations depend on secure, reliable, and highly available network and cybersecurity services. As security infrastructure ages and business requirements evolve, enhanced security controls, improved resiliency, and greater visibility into network activity become increasingly important. The Lewisville Security Stack Modernization project is needed to strengthen perimeter defenses, improve internal traffic segmentation, support secure remote connectivity, and enhance security monitoring capabilities. By modernizing the security platform and improving availability of key security services, the project helps reduce cybersecurity risk, improve operational resilience, and support business continuity requirements.

Project No: **96829357** **Lewisville Sec Stack Modern 2027**

Project Alternatives

Alternative 1) Continue operating existing security infrastructure without modernization. This approach increases the risk of reduced performance, diminished supportability, limited visibility into security events, and potential gaps in resiliency and failover capabilities as technology ages.

Alternative 2) Perform only incremental upgrades to components of the existing security environment. While targeted upgrades may address specific issues, this approach may not provide a comprehensive solution for improving availability, centralized security services, segmentation, and monitoring capabilities and could result in increased operational complexity.

Project No: 96829357 Lewisville Sec Stack Modern 2027

Project Estimate Approach	Project estimates are developed using vendor budgetary quotations, implementation partner estimates, infrastructure requirements assessments, and internal engineering expertise. Cost projections incorporate hardware, software, implementation services, integration activities, testing, and deployment requirements necessary to support the modernized security environment. Estimates are validated using historical experience from similar network and cybersecurity infrastructure projects, anticipated capacity requirements, and current market pricing for security technologies and related services.

Project No: **96829357** **Lewisville Sec Stack Modern 2027**

Customer Benefit

Customers benefit from TXNM's ability to maintain secure and resilient technology systems that support utility operations and customer service functions. The Lewisville Security Stack Modernization project strengthens cybersecurity protections and improves the reliability of security services that support business operations. By enhancing threat visibility, supporting faster incident response, improving system resiliency, and reducing the likelihood of cybersecurity-related disruptions, the project contributes to the secure and reliable delivery of electric service.

Project No: **96829357** **Lewisville Sec Stack Modern 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829357** **Lewisville Sec Stack Modern 2027**

General Services

Reliability & Resiliency

Safety & Security

TXNM's ability to provide safe and reliable electric service depends on protecting critical technology infrastructure from evolving cybersecurity threats. The Lewisville Security Stack Modernization project strengthens the organization's security posture through improved perimeter inspection, network segmentation, centralized monitoring, secure connectivity services, and enhanced resiliency capabilities. By improving visibility into security events, supporting more effective threat detection and investigation, and reducing potential points of failure, the project helps protect critical business systems and operational assets while supporting a secure and resilient operating environment.

Technology Advancements

Project No: 96829357 Lewisville Sec Stack Modern 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829357** **Lewisville Sec Stack Modern 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	6,818	6,818	6,818	6,818	6,818
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	8,000	8,000	8,000	8,000	8,000
370: Outside Services	-	-	9,091	9,091	9,091	9,091	9,091
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	77	221	367	527	681
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	545	545	545	545	545
914: Pension and Benefits	-	-	1,603	1,603	1,603	1,603	1,603
915: Injuries and Damages	-	-	148	148	148	148	148
921: Stores Load	-	-	261	261	261	261	261
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	26,544	26,688	26,834	26,994	27,148

Project No: **96829357** **Lewisville Sec Stack Modern 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	6,818	6,818	6,818	54,545
120: Overtime-General	-	-	-	-
350: Material Issues-Major	8,000	8,000	8,000	64,000
370: Outside Services	9,091	9,091	9,091	72,727
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	812	961	1,113	4,761
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	545	545	545	4,364
914: Pension and Benefits	1,603	1,603	1,603	12,824
915: Injuries and Damages	148	148	148	1,184
921: Stores Load	261	261	261	2,092
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	27,279	27,428	27,580	216,496

Project No: 96829357 Lewisville Sec Stack Modern 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	54,545	6,818	6,818	6,818	75,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	64,000	8,000	8,000	8,000	88,000	-	-	-
370: Outside Services	72,727	9,091	9,091	9,091	100,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	4,761	1,239	1,388	1,571	8,960	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,364	545	545	545	6,000	-	-	-
914: Pension and Benefits	12,824	1,603	1,603	1,603	17,632	-	-	-
915: Injuries and Damages	1,184	148	148	148	1,627	-	-	-
921: Stores Load	2,092	261	261	261	2,876	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(300,095)	(300,095)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	216,496	27,706	27,855	(272,057)	0	-	-	-

Project No: **96829357** **Lewisville Sec Stack Modern 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	75,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	88,000
370: Outside Services	-	-	-	-	-	-	100,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	8,960
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,000
914: Pension and Benefits	-	-	-	-	-	-	17,632
915: Injuries and Damages	-	-	-	-	-	-	1,627
921: Stores Load	-	-	-	-	-	-	2,876
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(300,095)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: **96829358** **Fortress ELA 2028**

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 5/1/2028

Estimated Completion Date 7/31/2028

Description

The Fortress Enterprise License Agreement (ELA) project renews a three-year Enterprise License Agreement (ELA) for the Fortress vendor evaluation and risk management platform. Fortress is used to support the assessment, monitoring, and management of third-party vendors and service providers that interact with PNM systems, operations, and business processes. While the platform is primarily utilized by Supply Chain and sourcing functions, responsibility for administration and oversight of the solution has transitioned to Information Security to support enterprise cyber risk management objectives. Renewal of the enterprise license ensures continued access to vendor risk evaluation capabilities, compliance monitoring, and risk assessment processes that support the organization's supply chain and cybersecurity programs.

Project No: **96829358** **Fortress ELA 2028**

Project Need Justification

PNM relies on numerous vendors, contractors, and third-party service providers to support business and operational activities. These external relationships introduce potential operational, cybersecurity, compliance, and supply chain risks that must be appropriately evaluated and monitored. The Fortress platform provides a structured mechanism for assessing vendor risk, supporting due diligence activities, and maintaining records associated with third-party evaluations. Renewal of the Enterprise License Agreement is necessary to ensure continued access to vendor assessment capabilities, support ongoing risk management processes, and maintain oversight of third-party relationships that support business and utility operations.

Project No: **96829358** **Fortress ELA 2028**

Project Alternatives

Alternative 1) Allow the Fortress Enterprise License Agreement to expire and perform vendor evaluations through manual processes. This approach would increase administrative effort, reduce consistency in vendor risk assessments, and make it more difficult to efficiently track and manage third-party risk information.

Alternative 2) Replace Fortress with an alternative vendor risk management solution. While alternative solutions may exist, implementing a replacement platform would require additional procurement, configuration, migration, and training efforts. This approach would introduce transition risk and additional costs without demonstrating a clear advantage over the existing solution.

Project No: **96829358** **Fortress ELA 2028**

Project Estimate Approach	Project cost estimates are derived from vendor pricing, anticipated licensing requirements, implementation considerations, and internal subject matter expertise. Estimates for the Third-Party Risk Management Phase 1 initiative were informed by industry expertise obtained from leading consulting firms, including Ernst & Young, combined with PNM's experience implementing and supporting similar governance, risk management, and compliance solutions. Cost projections were developed using available vendor information, implementation assumptions, and organizational knowledge of third-party risk management processes to establish a reasonable estimate of expected program expenditures.

Project No: **96829358** **Fortress ELA 2028**

Customer Benefit

Customers benefit from PNM's ability to effectively evaluate and manage risks associated with third-party vendors that support business and utility operations. The Fortress platform helps ensure that vendors and service providers are reviewed through a consistent and structured process before providing services or access to company resources. By supporting supply chain risk management and cybersecurity oversight activities, the project helps protect critical systems, information, and operational processes that contribute to the safe and reliable delivery of electric service.

Project No: **96829358** **Fortress ELA 2028**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829358** **Fortress ELA 2028**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on effectively managing risks associated with third-party vendors and external service providers. The Fortress platform supports these objectives by providing structured vendor assessments, risk oversight, and compliance monitoring capabilities that strengthen supply chain and cybersecurity risk management practices. By improving visibility into vendor-related risks and supporting informed risk management decisions, the project helps protect critical systems, information assets, and operational processes while supporting a secure and resilient operating environment.

Technology Advancements

Project No: 96829358 Fortress ELA 2028

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829358** **Fortress ELA 2028**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829358** **Fortress ELA 2028**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829358 Fortress ELA 2028

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829358** **Fortress ELA 2028**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	1,000	1,000	-	-	-	2,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	420,000	-	-	-	420,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	4	1,139	2,282	-	-	3,425
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	80	80	-	-	-	160
914: Pension and Benefits	-	235	235	-	-	-	470
915: Injuries and Damages	-	22	22	-	-	-	43
921: Stores Load	-	-	13,726	-	-	-	13,726
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(439,824)	-	-	(439,824)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	1,340	436,202	(437,542)	-	-	-

Project No: 96829367 CPR Crisis Resilience 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 1/4/2027

Estimated Completion Date 12/31/2027

Description

The Computer Platform Refresh (CPR) – Crisis Resilience project is an annual lifecycle replacement program that funds the replacement of end-of-life equipment supporting PNM's crisis resilience and emergency response functions. The program provides for the replacement of aging technology assets, communications equipment, monitoring devices, coordination tools, and other infrastructure that support business continuity, emergency management, incident response, and resilience activities. Equipment replaced under the program is generally replaced with functionally equivalent technology that maintains existing capabilities while improving reliability, supportability, and operational readiness. This investment helps ensure that critical crisis management and resilience functions remain available during emergency situations and other operational disruptions.

Project No: 96829367 CPR Crisis Resilience 2027

Project Need Justification

PNM relies on a variety of technology assets and supporting infrastructure to facilitate emergency response coordination, business continuity activities, operational communications, and crisis management functions. As equipment ages, the risk of failure, reduced reliability, and loss of vendor support increases. The CPR – Crisis Resilience project provides a structured approach for replacing end-of-life equipment before failures occur, helping ensure that crisis response capabilities remain operational when needed most. Maintaining reliable equipment supports organizational preparedness, reduces operational risk, and strengthens the company's ability to respond effectively to emergencies and disruptive events.

Project No: 96829367 CPR Crisis Resilience 2027

Project Alternatives

Alternative 1) Continue operating existing crisis resilience equipment beyond its useful life. This approach increases the likelihood of equipment failures, diminished reliability, and reduced supportability during critical emergency situations, potentially affecting organizational readiness and response effectiveness.

Alternative 2) Perform maintenance and repairs only after equipment failures occur. While this approach may defer replacement costs, it introduces additional operational risk and may result in extended outages, higher maintenance costs, and reduced confidence in the availability of critical crisis response capabilities.

Project No: **96829367** **CPR Crisis Resilience 2027**

Project Estimate Approach	Not required for projects with less than $250,000 of expenditures.

Project No: **96829367** **CPR Crisis Resilience 2027**

Customer Benefit

Customers benefit from PNM's ability to maintain resilient operations and respond effectively to emergencies, severe weather events, and other disruptive incidents. The CPR – Crisis Resilience project helps ensure that the equipment supporting crisis response and continuity planning remains reliable and operational. By maintaining readiness and reducing the potential for failures in critical response systems, the project supports business continuity and helps enable the continued delivery of safe and reliable electric service during challenging conditions.

Project No: **96829367** **CPR Crisis Resilience 2027**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96829367** **CPR Crisis Resilience 2027**

General Services

Reliability & Resiliency

PNM's ability to provide safe and reliable electric service depends on maintaining effective crisis response and business continuity capabilities. The CPR – Crisis Resilience project strengthens organizational resiliency by proactively replacing aging equipment that supports emergency management and operational continuity functions. Maintaining reliable, supported technology assets improves operational readiness, reduces the risk of equipment-related failures during emergency events, and supports the organization's ability to respond to and recover from disruptions while continuing to serve customers.

Safety & Security

Technology Advancements

Project No: 96829367 CPR Crisis Resilience 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829367** **CPR Crisis Resilience 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	2,083	2,083	2,083	2,083	2,083	2,083
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	7,417	7,417	7,417	7,417	7,417	7,417
370: Outside Services	-	1,667	1,667	1,667	1,667	1,667	1,667
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	35	106	169	236	311	382
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	167	167	167	167	167	167
914: Pension and Benefits	-	490	490	490	490	490	490
915: Injuries and Damages	-	45	45	45	45	45	45
921: Stores Load	-	242	242	242	242	242	242
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	12,146	12,216	12,280	12,347	12,422	12,493

Project No: **96829367** **CPR Crisis Resilience 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	2,083	2,083	2,083	18,750
120: Overtime-General	-	-	-	-
350: Material Issues-Major	7,417	7,417	7,417	66,750
370: Outside Services	1,667	1,667	1,667	15,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	440	509	579	2,768
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	167	167	167	1,500
914: Pension and Benefits	490	490	490	4,408
915: Injuries and Damages	45	45	45	407
921: Stores Load	242	242	242	2,181
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	12,551	12,620	12,690	111,764

Project No: 96829367 CPR Crisis Resilience 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	18,750	2,083	2,083	2,083	25,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	66,750	7,417	7,417	7,417	89,000	-	-	-
370: Outside Services	15,000	1,667	1,667	1,667	20,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,768	635	704	790	4,897	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,500	167	167	167	2,000	-	-	-
914: Pension and Benefits	4,408	490	490	490	5,877	-	-	-
915: Injuries and Damages	407	45	45	45	543	-	-	-
921: Stores Load	2,181	242	242	242	2,909	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(150,226)	(150,226)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	111,764	12,746	12,815	(137,325)	0	-	-	-

Project No: **96829367** **CPR Crisis Resilience 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	25,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	89,000
370: Outside Services	-	-	-	-	-	-	20,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	4,897
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	2,000
914: Pension and Benefits	-	-	-	-	-	-	5,877
915: Injuries and Damages	-	-	-	-	-	-	543
921: Stores Load	-	-	-	-	-	-	2,909
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(150,226)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: 96829427 Splunk IT Core Enterprise ELA 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 1/4/2027

Estimated Completion Date 3/31/2027

Description

The Splunk IT Core Enterprise License Agreement (ELA) project renews a three-year enterprise license agreement for the Splunk platform, a critical component of PNM's cybersecurity, operational monitoring, and event management environment. Splunk aggregates and analyzes log data and events from numerous technology systems across the enterprise, providing centralized monitoring, analytics, dashboards, alerting, and reporting capabilities. The platform enables the correlation of security, infrastructure, and operational events to improve threat detection, operational visibility, incident response, and system reliability. Renewal of the enterprise license agreement ensures continued vendor support, software updates, security enhancements, and ongoing access to the monitoring and analytics capabilities that support business and utility operations.

Project No: 96829427 Splunk IT Core Enterprise ELA 2027

Project Need Justification	PNM relies on Splunk to collect, correlate, and analyze information from a wide range of technology platforms and data sources to support cybersecurity monitoring, operational awareness, and infrastructure reliability. Internal project documentation notes that Splunk replaced multiple siloed monitoring and logging tools, providing comprehensive visibility into infrastructure and security events across the enterprise. Renewal of the Splunk Enterprise License Agreement is necessary to maintain these capabilities, support ongoing threat detection and incident response activities, and ensure continued access to vendor support and software updates. Without renewal, PNM would lose a critical component of its enterprise monitoring and cybersecurity infrastructure, increasing operational and security risks.

Project No: **96829427** **Splunk IT Core Enterprise ELA 2027**

Project Alternatives

Alternative 1) Do nothing and allow the Splunk Enterprise License Agreement to expire. Splunk is a foundational platform for enterprise monitoring, analytics, and cybersecurity operations. Failure to renew the license would eliminate critical event monitoring and security correlation capabilities, reducing visibility into system performance, operational issues, and cybersecurity risks.

Alternative 2) Replace Splunk with an alternative monitoring and analytics platform. While alternative products exist, replacing Splunk would require significant planning, implementation effort, data migration, integration work, retraining, and operational transition activities. This approach would introduce additional costs, operational disruption, and implementation risks without demonstrating a clear advantage over the existing solution.

Project No: **96829427** **Splunk IT Core Enterprise ELA 2027**

Project Estimate Approach	Project cost estimates are based on vendor-provided licensing quotations, projected data ingestion and platform utilization requirements, negotiated contract pricing, and anticipated support costs over the agreement term. Estimates incorporate software licensing commitments, approved contract terms, and minimal allowable overhead charges and are validated against historical licensing costs, vendor proposals, and prior enterprise agreement renewals.

Project No: **96829427** **Splunk IT Core Enterprise ELA 2027**

Customer Benefit

Customers benefit from PNM's ability to maintain secure, reliable, and resilient technology services that support utility operations. Splunk provides centralized visibility into operational and security events occurring across enterprise systems, enabling faster detection of potential issues, improved incident response, and more effective management of technology resources. By supporting proactive monitoring, enhanced cybersecurity detection, and improved operational awareness, the Splunk Enterprise License Agreement helps maintain the reliability of business and utility systems that support customer service and the delivery of safe and reliable electric service.

Project No: **96829427** **Splunk IT Core Enterprise ELA 2027**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96829427** **Splunk IT Core Enterprise ELA 2027**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

PNM's ability to provide safe and reliable electric service depends on maintaining effective monitoring and cybersecurity capabilities across its technology environment. The Splunk platform strengthens the organization's security posture by aggregating and analyzing event data from numerous systems, enabling the identification of threats, operational anomalies, and potential system failures before they significantly impact operations. By improving threat detection, operational visibility, incident response, and infrastructure monitoring, Splunk helps protect critical systems and supports the secure and reliable operation of technology services that enable utility operations.

Project No: 96829427 Splunk IT Core Enterprise ELA 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829427** **Splunk IT Core Enterprise ELA 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	1,500,000	1,500,000	1,500,000	-	-	-
370: Outside Services	-	33,333	33,333	33,333	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	4,589	13,799	22,626	-	-	-
610: Expenses - General	-	-	-	180,600	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	49,020	49,020	49,020	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(4,968,674)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	1,586,943	1,596,152	(3,183,095)	-	-	-

Project No: **96829427** **Splunk IT Core Enterprise ELA 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	4,500,000
370: Outside Services	-	-	-	100,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	41,014
610: Expenses - General	-	-	-	180,600
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	147,060
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(4,968,674)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829427 Splunk IT Core Enterprise ELA 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	4,500,000	-	-	-	4,500,000	-	-	-
370: Outside Services	100,000	-	-	-	100,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	41,014	-	-	-	41,014	-	-	-
610: Expenses - General	180,600	-	-	-	180,600	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	147,060	-	-	-	147,060	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(4,968,674)	-	-	-	(4,968,674)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829427** **Splunk IT Core Enterprise ELA 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	4,500,000
370: Outside Services	-	-	-	-	-	-	100,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	41,014
610: Expenses - General	-	-	-	-	-	-	180,600
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	147,060
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(4,968,674)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829446 CPR Corp Security 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	85%
	Denton (TX)	15%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The CPR Corporate Security 2026 project is an annual lifecycle replacement initiative that funds the replacement of end-of-life physical security equipment used to protect company facilities, employees, contractors, and critical infrastructure assets. Equipment replaced under this project is generally replaced with functionally equivalent technology and may include cameras, badge readers, access control devices, automated gates, intrusion detection equipment, and other physical security components. This project helps maintain the reliability, supportability, and effectiveness of PNM's corporate security infrastructure while reducing operational risks associated with aging or unsupported equipment.

Project No: 96829446 CPR Corp Security 2026

Project Need Justification

PNM relies on a broad range of physical security technologies to safeguard personnel, facilities, and critical business assets. As security equipment ages, it becomes increasingly susceptible to failure, reduced effectiveness, and loss of manufacturer support. The CPR Corporate Security 2026 project provides funding for the systematic replacement of end-of-life equipment to maintain the integrity and reliability of the company's physical security program. Proactive replacement of aging assets helps ensure that critical security systems remain operational and capable of supporting the organization's evolving security requirements.

Project No: **96829446** **CPR Corp Security 2026**

Project Alternatives

Alternative 1) Continue operating existing security equipment beyond its useful life. This approach increases the risk of equipment failures, reduced system reliability, and loss of vendor support, potentially impairing the organization's ability to effectively secure critical facilities and assets.

Alternative 2) Repair aging equipment as failures occur. While repairing equipment may defer capital expenditures, it does not address underlying lifecycle concerns and may result in increasing maintenance costs, inconsistent performance, and reduced security effectiveness.

Project No: 96829446 CPR Corp Security 2026

Project Estimate Approach	Project estimates are developed using a combination of vendor budgetary quotations, historical equipment replacement costs, anticipated lifecycle replacement requirements, and internal subject matter expertise. Cost projections are informed by prior physical security replacement projects, expected equipment refresh volumes, and current market pricing for security infrastructure components.

Project No: **96829446** **CPR Corp Security 2026**

Customer Benefit

Customers benefit from PNM's ability to maintain secure and reliable facilities that support utility operations and business continuity. By replacing aging physical security equipment before failures occur, the CPR Corporate Security 2026 project helps ensure the continued protection of critical infrastructure and operational assets. Reliable security systems support the uninterrupted delivery of business services and contribute to the safe and dependable operation of the systems that support electric service delivery.

Project No: **96829446** **CPR Corp Security 2026**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829446** **CPR Corp Security 2026**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining effective physical security controls across its facilities and operational environments. The CPR Corporate Security 2026 project enhances security by ensuring critical physical security devices remain reliable, functional, and supported throughout their lifecycle. By replacing aging equipment before it becomes ineffective or unsupported, the project reduces security risks, strengthens facility protection, and supports the continued safety of employees, contractors, and critical infrastructure assets.

Technology Advancements

Physical security technologies continue to evolve, providing organizations with improved capabilities for monitoring, access management, and protection of critical facilities and assets. PNM actively evaluates advancements in surveillance systems, access control technologies, and security monitoring platforms to ensure its facilities benefit from dependable and effective security solutions. Through the timely replacement of aging security equipment with modern, vendor-supported technologies, the company improves operational visibility, strengthens facility protection, and maintains a sustainable security infrastructure capable of supporting evolving business and operational requirements.

Project No: 96829446 CPR Corp Security 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	237	1,818	1,818	1,818	1,818	1,818	1,818	11,146
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	97,696	100,000	40,000	147,000	40,000	130,539	15,000	570,235
370: Outside Services	156,705	1,818	1,818	1,818	1,818	1,818	1,818	167,614
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	455	455	455	455	455	455	2,727
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,860	1,559	1,936	2,449	2,959	3,405	3,836	19,004
610: Expenses - General	2,456	-	-	-	-	-	-	2,456
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	19	145	145	145	145	145	145	892
914: Pension and Benefits	52	397	397	397	397	397	397	2,433
915: Injuries and Damages	5	36	36	36	36	36	36	222
921: Stores Load	747	4,288	1,715	6,303	1,715	5,598	643	21,009
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(794,877)	(794,877)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	260,775	110,517	48,321	160,422	49,344	144,211	(770,729)	2,860

Project No: **96829446** **CPR Corp Security 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	11,146	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	570,235	-	-	-	-	-	-
370: Outside Services	167,614	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	2,727	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	19,004	-	-	-	-	-	-
610: Expenses - General	2,456	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	892	-	-	-	-	-	-
914: Pension and Benefits	2,433	-	-	-	-	-	-
915: Injuries and Damages	222	-	-	-	-	-	-
921: Stores Load	21,009	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(794,877)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	2,860	-	-	-	-	-	-

Project No: **96829446** **CPR Corp Security 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	11,146
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	570,235
370: Outside Services	-	-	-	167,614
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	2,727
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	19,004
610: Expenses - General	-	-	-	2,456
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	892
914: Pension and Benefits	-	-	-	2,433
915: Injuries and Damages	-	-	-	222
921: Stores Load	-	-	-	21,009
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(794,877)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	2,860

Project No: 96829446 CPR Corp Security 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	11,146	-	-	-	11,146	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	570,235	-	-	-	570,235	-	-	-
370: Outside Services	167,614	-	-	-	167,614	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	2,727	-	-	-	2,727	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	19,004	-	-	-	19,004	-	-	-
610: Expenses - General	2,456	-	-	-	2,456	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	892	-	-	-	892	-	-	-
914: Pension and Benefits	2,433	-	-	-	2,433	-	-	-
915: Injuries and Damages	222	-	-	-	222	-	-	-
921: Stores Load	21,009	-	-	-	21,009	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(794,877)	-	-	-	(794,877)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	2,860	-	-	-	2,860	-	-	-

Project No: **96829446** **CPR Corp Security 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	11,146
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	570,235
370: Outside Services	-	-	-	-	-	-	167,614
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	2,727
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	19,004
610: Expenses - General	-	-	-	-	-	-	2,456
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	892
914: Pension and Benefits	-	-	-	-	-	-	2,433
915: Injuries and Damages	-	-	-	-	-	-	222
921: Stores Load	-	-	-	-	-	-	21,009
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(794,877)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	2,860

Project No: 96829447 CPR Corp Security 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %		
	Bernalillo	85%
	Denton (TX)	15%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The CPR Corporate Security 2027 project continues the annual lifecycle replacement of aging physical security infrastructure located throughout PNM facilities and operational sites. The project funds the replacement of assets that have reached end-of-life or are no longer economically supportable, including access control devices, surveillance cameras, card readers, gate control systems, and related security equipment. Replacement equipment is generally functionally equivalent and is intended to preserve existing security capabilities while improving reliability, maintainability, and long-term supportability.

Project No: 96829447 CPR Corp Security 2027

Project Need Justification

The effectiveness of PNM's physical security program depends on the continued operation of numerous technology components that have finite service lives. Over time, hardware degradation, obsolescence, and changes in vendor support programs increase the risk of equipment failure and reduced system effectiveness. The CPR Corporate Security 2027 project provides funding to replace physical security assets that have reached the end of their useful life, helping ensure continued system performance, operational reliability, and protection of critical facilities and infrastructure.

Project No: 96829447 CPR Corp Security 2027

Project Alternatives

Alternative 1) Defer replacement of aging physical security equipment. Delaying replacement increases the likelihood of equipment failures, reduced security coverage, and growing maintenance challenges that could affect the organization's security posture.

Alternative 2) Continue operating older equipment and perform repairs on an as-needed basis. This approach may temporarily extend equipment life but does not address lifecycle limitations, obsolescence risks, or declining supportability, and may result in higher long-term operating costs.

Project No: 96829447 CPR Corp Security 2027

Project Estimate Approach	Project cost estimates are based on anticipated physical security equipment replacement needs, manufacturer and integrator pricing, recent procurement activity, and historical experience with similar lifecycle replacement efforts. Estimates are reviewed against expected asset refresh schedules and adjusted to reflect current market conditions, vendor pricing trends, and projected installation requirements.

Project No: **96829447** **CPR Corp Security 2027**

Customer Benefit

Customers benefit from the continued protection of the facilities, operational assets, and infrastructure required to support utility operations. The CPR Corporate Security 2027 project improves the reliability and availability of physical security systems through timely lifecycle replacement of aging equipment. Maintaining effective facility security supports operational continuity, reduces the risk of service disruptions associated with security incidents, and helps ensure the safe and reliable delivery of electric service.

Project No: **96829447** **CPR Corp Security 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829447** **CPR Corp Security 2027**

General Services

Reliability & Resiliency

Safety & Security

Safety and security are essential to PNM's ability to operate and maintain critical utility infrastructure. The CPR Corporate Security 2027 project strengthens the organization's physical security environment by replacing aging and unsupported assets with reliable, vendor-supported technology. Maintaining effective access control, surveillance, and facility protection capabilities helps reduce physical security risks, improve infrastructure protection, and support the secure operation of business and utility facilities essential to serving customers.

Technology Advancements

Emerging developments in physical security technology are creating new opportunities to improve situational awareness, operational efficiency, and infrastructure protection. PNM leverages proven security innovations to enhance the effectiveness of facility security systems while maintaining alignment with industry standards and operational needs. By refreshing aging security assets and incorporating current-generation capabilities where appropriate, the organization improves the long-term supportability, reliability, and effectiveness of security operations. These investments help establish a stronger foundation for future security enhancements while supporting the protection of personnel, facilities, and critical assets.

Project No: 96829447 CPR Corp Security 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829447** **CPR Corp Security 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	13,636	13,636	13,636	13,636	13,636
370: Outside Services	-	-	47,273	47,273	47,273	47,273	47,273
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	178	513	852	1,223	1,580
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	446	446	446	446	446
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	61,533	61,868	62,207	62,577	62,934

Project No: 96829447 CPR Corp Security 2027

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	13,636	13,636	13,636	109,091
370: Outside Services	47,273	47,273	47,273	378,182
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	1,883	2,229	2,580	11,037
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	446	446	446	3,565
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	63,237	63,584	63,935	501,875

Project No: 96829447 CPR Corp Security 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	109,091	13,636	13,636	13,636	150,000	-	-	-
370: Outside Services	378,182	47,273	47,273	47,273	520,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	11,037	2,872	3,218	3,791	20,918	-	-	-
610: Expenses - General	-	-	-	53,759	53,759	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	3,565	446	446	446	4,902	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(749,579)	(749,579)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	501,875	64,227	64,573	(630,674)	-	-	-	-

Project No: **96829447** **CPR Corp Security 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	150,000
370: Outside Services	-	-	-	-	-	-	520,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	20,918
610: Expenses - General	-	-	-	-	-	-	53,759
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	4,902
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(749,579)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829457 Network Perim File Threat 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Network Perimeter File Threat Protection project implements advanced file inspection and threat prevention capabilities at the network perimeter to identify, analyze, and block malicious files entering or leaving the organization's environment. The solution utilizes technologies such as sandboxing, reputation analysis, and signature-based detection to evaluate files before they reach internal systems. By stopping malware, ransomware, and other file-based threats at the perimeter, the project strengthens cybersecurity defenses, improves visibility into potential threats, and reduces the operational burden on downstream security monitoring and incident response processes. This investment enhances the organization's ability to protect critical business and operational systems from evolving cyber threats while supporting secure and reliable utility operations.

Project No: 96829457 Network Perim File Threat 2027

Project Need Justification	PNM faces an increasing volume and sophistication of cyber threats delivered through files exchanged with external users, websites, and business partners. Traditional security controls may not always detect advanced or previously unknown threats before they reach internal systems. The Network Perimeter File Threat Protection project is needed to provide additional layers of defense by inspecting and evaluating files before they enter or leave the network environment. By identifying and blocking malicious content at the perimeter, the project reduces cybersecurity risk, limits the potential impact of malware and ransomware incidents, and enhances the organization's ability to protect critical technology systems and sensitive information that support business and utility operations.

Project No: **96829457** **Network Perim File Threat 2027**

Project Alternatives

Alternative 1) Continue relying on existing endpoint security and threat detection tools without implementing dedicated perimeter-based file threat protection. While these tools provide valuable security capabilities, threats may still reach internal systems before detection and response activities can occur, increasing cybersecurity risk and response requirements.

Alternative 2) Rely primarily on manual investigation and remediation of file-based threats after detection. This approach would require increased operational effort and could result in longer response times, greater exposure to cybersecurity events, and a higher likelihood of business disruption from malicious files.

Project No: **96829457** **Network Perim File Threat 2027**

Project Estimate Approach	Project estimates are based on vendor-provided pricing, anticipated licensing requirements, implementation and integration services, and internal engineering assessments of deployment scope and infrastructure needs. Cost estimates incorporate hardware, software, configuration activities, and ongoing support requirements and are validated through comparison with similar cybersecurity projects, historical implementation experience, and current market pricing.

Project No: **96829457** **Network Perim File Threat 2027**

Customer Benefit

Customers benefit from PNM's ability to maintain secure and reliable technology systems that support utility operations and customer service functions. The Network Perimeter File Threat Protection project reduces the risk of malware, ransomware, and other cyber threats affecting critical business and operational systems by preventing malicious files from entering the environment. By strengthening cybersecurity defenses, improving threat detection capabilities, and reducing the likelihood of security-related disruptions, the project helps maintain the availability and reliability of the technology systems that support the delivery of safe and reliable electric service.

Project No: **96829457** **Network Perim File Threat 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829457** **Network Perim File Threat 2027**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining strong cybersecurity protections for critical business and operational systems. The Network Perimeter File Threat Protection project strengthens the organization's security posture by inspecting and blocking malicious files before they can enter the network environment. By reducing the risk of malware infections, ransomware attacks, and other file-based cyber threats, the project enhances the protection of critical infrastructure, sensitive information, and essential technology services. This investment improves cybersecurity resilience, supports regulatory and security objectives, and helps ensure the secure and reliable operation of systems that support utility operations.

Technology Advancements

Cybersecurity threats continue to evolve in both volume and sophistication, requiring organizations to adopt increasingly advanced technologies capable of identifying and preventing malicious activity before it impacts business operations. PNM continually evaluates modern security capabilities that improve threat visibility, automate analysis processes, and strengthen the organization's ability to identify emerging risks. Advanced file inspection and threat protection technologies provide deeper analysis of suspicious content, improve detection of previously unknown threats, and help prevent malicious files from reaching critical systems. By investing in next-generation threat prevention capabilities, PNM enhances the effectiveness of its cybersecurity program, improves operational resilience, and strengthens protection of the technology environment that supports business and utility operations.

Project No: 96829457 Network Perim File Threat 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829457** **Network Perim File Threat 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	13,636	13,636	13,636	13,636	13,636
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	36,364	36,364	36,364	36,364	36,364
370: Outside Services	-	-	45,455	45,455	45,455	45,455	45,455
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	308	887	1,472	2,114	2,731
610: Expenses - General	-	-	4,818	4,818	4,818	4,818	4,818
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	1,091	1,091	1,091	1,091	1,091
914: Pension and Benefits	-	-	3,206	3,206	3,206	3,206	3,206
915: Injuries and Damages	-	-	296	296	296	296	296
921: Stores Load	-	-	1,188	1,188	1,188	1,188	1,188
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	106,362	106,941	107,526	108,167	108,784

Project No: **96829457** **Network Perim File Threat 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	13,636	13,636	13,636	109,091
120: Overtime-General	-	-	-	-
350: Material Issues-Major	36,364	36,364	36,364	290,909
370: Outside Services	45,455	45,455	45,455	363,636
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	3,254	3,853	4,460	19,078
610: Expenses - General	4,818	4,818	4,818	38,545
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	1,091	1,091	1,091	8,727
914: Pension and Benefits	3,206	3,206	3,206	25,647
915: Injuries and Damages	296	296	296	2,367
921: Stores Load	1,188	1,188	1,188	9,507
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	109,308	109,906	110,513	867,508

Project No: 96829457 Network Perim File Threat 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	109,091	13,636	13,636	13,636	150,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	290,909	36,364	36,364	36,364	400,000	-	-	-
370: Outside Services	363,636	45,455	45,455	45,455	500,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	19,078	4,964	5,563	6,297	35,902	-	-	-
610: Expenses - General	38,545	4,818	4,818	4,818	53,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	8,727	1,091	1,091	1,091	12,000	-	-	-
914: Pension and Benefits	25,647	3,206	3,206	3,206	35,265	-	-	-
915: Injuries and Damages	2,367	296	296	296	3,255	-	-	-
921: Stores Load	9,507	1,188	1,188	1,188	13,072	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,202,494)	(1,202,494)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	867,508	111,018	111,617	(1,090,143)	-	-	-	-

Project No: **96829457** **Network Perim File Threat 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	150,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	400,000
370: Outside Services	-	-	-	-	-	-	500,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	35,902
610: Expenses - General	-	-	-	-	-	-	53,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	12,000
914: Pension and Benefits	-	-	-	-	-	-	35,265
915: Injuries and Damages	-	-	-	-	-	-	3,255
921: Stores Load	-	-	-	-	-	-	13,072
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,202,494)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829527 eDOCS DM Tech Stack Upgrade 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 1/1/2027

Estimated Completion Date 12/31/2027

Description

The eDocs DM Tech Stack Upgrade project upgrades the eDocs Document Management (DM) application and supporting technology platform to current, vendor-supported versions in order to maintain system reliability, security, and compliance with corporate technology lifecycle standards. The project includes upgrades to the eDocs DM application, supporting Microsoft Windows server infrastructure, Structure Query Language (SQL) Server database platform, and related components to ensure compatibility, continued vendor support, and ongoing security patching capabilities. In addition, the upgrade provides opportunities to enhance integration with corporate systems, improve user interfaces and overall user experience, and evaluate the consolidation of document libraries to support data standardization and improved search capabilities. This investment addresses the impending expiration of support for the current platform, reduces risks associated with aging technology, improves system performance and maintainability, and ensures the continued availability of document management services that support business and utility operations.

Project No: 96829527 eDOCS DM Tech Stack Upgrade 2027

Project Need Justification

PNM relies on the eDocs Document Management (DM) platform to store, manage, and retrieve critical business records and documents used throughout the organization. The current eDocs environment is approaching the end of its vendor support lifecycle, creating risks related to system supportability, security patching, technology compatibility, and compliance with corporate lifecycle management standards. The eDocs DM Tech Stack Upgrade project is necessary to upgrade the application, supporting server infrastructure, and database platform to current vendor-supported versions, ensuring continued security updates, operational reliability, and system compatibility. The project also provides opportunities to improve integrations with corporate systems, enhance the user experience, support document standardization efforts, and improve document search capabilities. By modernizing the platform, PNM reduces operational and cybersecurity risks while ensuring the continued availability and effectiveness of critical document management services that support business and utility operations.

Project No: **96829527 eDOCS DM Tech Stack Upgrade 2027**

Project Alternatives

Alternative 1) Continue operating the existing eDocs DM environment without upgrading the application or supporting infrastructure. As vendor support and lifecycle coverage for the current platform approaches expiration, the organization would face increasing risks related to security vulnerabilities, reduced supportability, compatibility issues, and limitations on receiving vendor-provided patches and updates. This approach could increase operational risk and reduce the long-term reliability of the document management environment.

Alternative 2) Perform only limited maintenance activities while retaining the existing application and infrastructure components. While selective upgrades or patches may temporarily extend the life of the platform, this approach would not fully address lifecycle concerns associated with the application, operating systems, database platform, and supporting infrastructure. Continued reliance on aging technology may result in increasing maintenance costs, reduced compatibility with integrated systems, and ongoing security and supportability challenges.

Project No: **96829527** **eDOCS DM Tech Stack Upgrade 2027**

Project Estimate Approach	Project estimates are derived from vendor-provided pricing, implementation and professional services estimates, anticipated software and licensing requirements, and internal engineering assessments. Cost projections are informed by prior automation initiatives, expected infrastructure scope, and the level of effort required to develop, test, and deploy automated workflows across network, security, and infrastructure environments.

Project No: **96829527 eDOCS DM Tech Stack Upgrade 2027**

Customer Benefit

Customers benefit from PNM's ability to maintain reliable, secure, and accessible document management services that support critical business and utility operations. The eDocs DM Tech Stack Upgrade project modernizes the document management platform and supporting infrastructure to ensure continued vendor support, security patching, and system reliability. By improving application performance, enhancing integration with corporate systems, and strengthening document search and retrieval capabilities, the project enables employees to more efficiently access and manage information needed to support business processes and customer service activities. Additionally, maintaining a secure and supportable document management environment reduces operational and cybersecurity risks while helping ensure the continued availability of critical records and information that support the delivery of safe and reliable electric service.

Project No: **96829527 eDOCS DM Tech Stack Upgrade 2027**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96829527** **eDOCS DM Tech Stack Upgrade 2027**

General Services

Reliability & Resiliency

PNM's ability to provide safe and reliable electric service depends on maintaining secure, reliable, and well-supported technology platforms that enable efficient business operations and information management. The eDocs DM Tech Stack Upgrade project modernizes the organization's document management environment by upgrading the application, database, and supporting infrastructure to current vendor-supported versions. The project improves system reliability, enhances security through continued access to vendor patches and updates, and strengthens integration with corporate systems. Additionally, improvements to document organization, standardization, and search functionality support greater operational efficiency and a better user experience. By aligning the platform with corporate lifecycle management and technology standards, this investment helps ensure the long-term supportability, security, and effectiveness of a critical enterprise information management system.

Safety & Security

Technology Advancements

Project No: 96829527 eDOCS DM Tech Stack Upgrade 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829527** **eDOCS DM Tech Stack Upgrade 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	2,917	2,917	2,917	2,917	2,917	2,917
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	180,000	62,500	62,500	62,500
370: Outside Services	-	-	-	25,000	25,000	25,000	25,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	11	34	641	1,493	2,063	2,608
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	233	233	233	233	233	233
914: Pension and Benefits	-	686	686	686	686	686	686
915: Injuries and Damages	-	63	63	63	63	63	63
921: Stores Load	-	-	-	5,882	2,043	2,043	2,043
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	3,910	3,933	215,423	94,934	95,504	96,050

Project No: **96829527** **eDOCS DM Tech Stack Upgrade 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	2,917	2,917	2,917	26,250
120: Overtime-General	-	-	-	-
350: Material Issues-Major	62,500	62,500	62,500	555,000
370: Outside Services	25,000	25,000	25,000	175,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	3,065	3,593	4,129	17,638
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	233	233	233	2,100
914: Pension and Benefits	686	686	686	6,171
915: Injuries and Damages	63	63	63	570
921: Stores Load	2,043	2,043	2,043	18,137
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	96,507	97,035	97,571	800,867

Project No: 96829527 eDOCS DM Tech Stack Upgrade 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	26,250	2,917	2,917	2,917	35,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	555,000	62,500	62,500	62,500	742,500	-	-	-
370: Outside Services	175,000	25,000	25,000	75,000	300,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	17,638	4,571	5,100	6,316	33,624	-	-	-
610: Expenses - General	-	-	-	155,000	155,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,100	233	233	233	2,800	-	-	-
914: Pension and Benefits	6,171	686	686	686	8,229	-	-	-
915: Injuries and Damages	570	63	63	63	759	-	-	-
921: Stores Load	18,137	2,043	2,043	2,043	24,265	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,302,177)	(1,302,177)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	800,867	98,012	98,541	(997,420)	(0)	-	-	-

Project No: **96829527** **eDOCS DM Tech Stack Upgrade 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	35,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	742,500
370: Outside Services	-	-	-	-	-	-	300,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	33,624
610: Expenses - General	-	-	-	-	-	-	155,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	2,800
914: Pension and Benefits	-	-	-	-	-	-	8,229
915: Injuries and Damages	-	-	-	-	-	-	759
921: Stores Load	-	-	-	-	-	-	24,265
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,302,177)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96829557 Network Sec Infra Auto 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Network, Security, and Infrastructure Automation project expands the use of automation across network, cybersecurity, and core infrastructure services to improve the efficiency, consistency, and reliability of technology operations. The project includes automation capabilities for system provisioning, configuration management, firmware and software updates, policy deployment, validation processes, monitoring integration, and operational response activities. By reducing reliance on manual processes, the initiative improves standardization, decreases the risk of configuration errors, accelerates service delivery, and enhances the organization's ability to manage and scale technology infrastructure. This investment supports operational efficiency, strengthens technology governance, and enables future growth in infrastructure services without requiring a proportional increase in staffing or administrative effort.

Project No: 96829557 Network Sec Infra Auto 2027

Project Need Justification

PNM's network, security, and infrastructure environments continue to grow in complexity, increasing the volume of routine provisioning, configuration, monitoring, patching, and operational support activities required to maintain reliable operations. Reliance on manual processes increases the potential for configuration inconsistencies, human error, longer delivery times, and greater operational risk. The Network, Security, and Infrastructure Automation project is needed to automate repeatable operational tasks and standardize technology processes across the enterprise. By improving consistency, reducing manual effort, accelerating service delivery, and lowering change-related risks, the project enhances operational efficiency and supports the sustainable growth of infrastructure services without requiring a proportional increase in staffing or administrative workload.

Project No: **96829557** **Network Sec Infra Auto 2027**

Project Alternatives

Alternative 1) Continue managing network, security, and infrastructure operations through manual processes. As the technology environment grows in size and complexity, manual provisioning, configuration management, software updates, policy deployment, and operational response activities require increasing levels of effort and oversight. This approach increases the potential for human error, configuration inconsistencies, longer implementation timelines, and higher operational costs while limiting the organization's ability to scale services efficiently.

Alternative 2) Increase staffing levels to support growing operational demands. While additional personnel could help address the increased workload associated with infrastructure growth, this approach would not improve process consistency, reduce configuration variability, or eliminate repetitive manual tasks. Expanding staffing alone may increase operating costs without delivering the efficiency, standardization, and scalability benefits provided by automation.

Project No: **96829557** **Network Sec Infra Auto 2027**

Project Estimate Approach	Not required for projects with less than $250,000 of expenditures.

Project No: **96829557** **Network Sec Infra Auto 2027**

Customer Benefit

Customers benefit from PNM's ability to operate reliable, secure, and efficient technology infrastructure that supports utility operations. The Network, Security, and Infrastructure Automation project improves the consistency and reliability of technology services by automating routine operational tasks, reducing manual configuration activities, and standardizing infrastructure management processes. By decreasing the potential for human error, accelerating service delivery, and improving the speed and consistency of operational responses, the project enhances the reliability of critical technology systems that support business and utility operations. Additionally, automation enables PNM to manage future growth more efficiently, helping control operational costs while supporting the continued delivery of safe and reliable electric service to customers.

Project No: **96829557** **Network Sec Infra Auto 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829557** **Network Sec Infra Auto 2027**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining efficient, secure, and scalable technology operations. The Network, Security, and Infrastructure Automation project improves operational excellence by automating routine infrastructure activities such as provisioning, configuration management, software and firmware updates, policy deployment, validation, and operational response processes. By reducing manual effort, improving consistency, and minimizing the risk of human error, the project enhances the reliability and efficiency of technology operations while accelerating service delivery and supporting infrastructure growth. This investment enables PNM to manage an increasingly complex technology environment more effectively, improve resource utilization, and maintain reliable and secure technology services that support business and utility operations.

Technology Advancements

Project No: 96829557 Network Sec Infra Auto 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829557** **Network Sec Infra Auto 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	91	91	91	91	91
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	3,636	3,636	3,636	3,636	3,636
370: Outside Services	-	-	3,636	3,636	3,636	3,636	3,636
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	26	74	123	177	228
610: Expenses - General	-	-	1,345	1,345	1,345	1,345	1,345
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	7	7	7	7	7
914: Pension and Benefits	-	-	21	21	21	21	21
915: Injuries and Damages	-	-	2	2	2	2	2
921: Stores Load	-	-	119	119	119	119	119
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	8,884	8,933	8,982	9,035	9,087

Project No: **96829557** **Network Sec Infra Auto 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	91	91	91	727
120: Overtime-General	-	-	-	-
350: Material Issues-Major	3,636	3,636	3,636	29,091
370: Outside Services	3,636	3,636	3,636	29,091
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	272	322	373	1,594
610: Expenses - General	1,345	1,345	1,345	10,764
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	7	7	7	58
914: Pension and Benefits	21	21	21	171
915: Injuries and Damages	2	2	2	16
921: Stores Load	119	119	119	951
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	9,130	9,180	9,231	72,462

Project No: 96829557 Network Sec Infra Auto 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	727	91	91	91	1,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	29,091	3,636	3,636	3,636	40,000	-	-	-
370: Outside Services	29,091	3,636	3,636	3,636	40,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,594	415	465	526	2,999	-	-	-
610: Expenses - General	10,764	1,345	1,345	1,345	14,800	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	58	7	7	7	80	-	-	-
914: Pension and Benefits	171	21	21	21	235	-	-	-
915: Injuries and Damages	16	2	2	2	22	-	-	-
921: Stores Load	951	119	119	119	1,307	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(100,443)	(100,443)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	72,462	9,273	9,323	(91,058)	0	-	-	-

Project No: **96829557** **Network Sec Infra Auto 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	1,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	40,000
370: Outside Services	-	-	-	-	-	-	40,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2,999
610: Expenses - General	-	-	-	-	-	-	14,800
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	80
914: Pension and Benefits	-	-	-	-	-	-	235
915: Injuries and Damages	-	-	-	-	-	-	22
921: Stores Load	-	-	-	-	-	-	1,307
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(100,443)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: 96829627 Tanium ELA 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2027

Estimated Completion Date 5/31/2027

Description

The Tanium Enterprise License Agreement (ELA) 2027 project renews a three-year capitalizable license for the Tanium endpoint management platform. Tanium provides centralized visibility and management of enterprise endpoints, including workstations, laptops, servers, and other connected devices across the organization's technology environment. The platform supports endpoint inventory, software deployment, patch management, configuration management, compliance monitoring, and security operations by enabling real-time monitoring and administration of managed devices. Renewal of the enterprise license agreement ensures continued vendor support, software updates, cybersecurity enhancements, and ongoing platform functionality. This investment supports the reliability, security, and efficient management of enterprise technology assets while helping maintain a secure and resilient computing environment that supports business and utility operations.

Project No: 96829627 Tanium ELA 2027

Project Need Justification

PNM relies on the Tanium platform to provide centralized visibility and management of enterprise endpoints, including workstations, laptops, servers, and other connected devices across the technology environment. The platform supports endpoint monitoring, software deployment, patch management, configuration management, compliance activities, and security operations, helping the organization maintain a secure and reliable computing environment. Continued use of the platform requires renewal of the three-year enterprise license agreement to maintain vendor support, software updates, security enhancements, and ongoing access to platform functionality. Renewal of the Tanium ELA helps ensure the effective management of technology assets, reduces cybersecurity and operational risks, and supports the reliability and security of the systems that enable critical business and utility operations

Project No: **96829627 Tanium ELA 2027**

Project Alternatives

Alternative 1) Do nothing and allow the Tanium Enterprise License Agreement to expire. PNM relies on the Tanium platform to provide visibility into and management of enterprise endpoints, including support for software deployment, patch management, compliance monitoring, and security operations. Allowing the license to expire would limit access to vendor support, software updates, security enhancements, and ongoing platform functionality, increasing operational and cybersecurity risks associated with managing and protecting enterprise technology assets.

Alternative 2) Replace Tanium with an alternative endpoint management and security platform. PNM continuously evaluates available technologies to ensure they meet operational, security, and business requirements. At this time, Tanium continues to provide the capabilities necessary to centrally manage and monitor enterprise endpoints while supporting security and compliance objectives. Migrating to a different platform would require significant implementation effort, data migration, deployment activities, process changes, and retraining of personnel. Such a transition would result in increased costs, operational disruption, and implementation risks while providing no demonstrated benefit over the existing solution.

Project No: **96829627** **Tanium ELA 2027**

Project Estimate Approach

Project cost estimates were developed using vendor-provided pricing, anticipated licensing requirements, negotiated commercial terms, and projected utilization of Tanium capabilities across the enterprise. The estimate reflects expected subscription fees, maintenance services, vendor support, and related project costs necessary to sustain endpoint management and cybersecurity operations throughout the agreement period. Cost projections were informed by historical system usage, future operational requirements, technology roadmap planning activities, and internal experience administering enterprise cybersecurity platforms. This approach provides a reasonable basis for forecasting the resources required to maintain and expand the organization's endpoint visibility and management capabilities.

Project No: **96829627** **Tanium ELA 2027**

Customer Benefit

Customers benefit from PNM's ability to maintain secure, reliable, and well-managed technology systems that support utility operations. The Tanium platform enables centralized management of enterprise endpoints, helping the organization maintain accurate device inventories, deploy software updates, address security vulnerabilities, and monitor compliance across its technology environment. By reducing cybersecurity risks, improving the reliability of technology assets, and supporting the efficient operation of business systems, the Tanium Enterprise License Agreement helps ensure the continuity of services and operations that support the delivery of safe and reliable electric service to customers.

Project No: **96829627** **Tanium ELA 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829627** **Tanium ELA 2027**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining a secure and resilient technology environment. The Tanium platform supports this objective by providing centralized visibility and management of enterprise endpoints, enabling the organization to identify vulnerabilities, deploy security updates, monitor compliance, and respond to potential threats across its technology infrastructure. By helping protect critical systems and technology assets from cybersecurity risks, Tanium enhances the security and reliability of business operations that support utility services. Renewal of the Tanium Enterprise License Agreement ensures continued access to vendor support, security enhancements, and platform capabilities that help maintain a strong cybersecurity posture and support the safe and secure delivery of electric service.

Technology Advancements

Effective cybersecurity requires the ability to continuously assess, manage, and respond to conditions across a constantly changing technology environment. PNM invests in advanced endpoint management and security technologies that improve visibility into enterprise assets, accelerate response to emerging threats, and strengthen overall operational efficiency. The Tanium platform enables near real-time insight into system health, configuration status, vulnerability exposure, and security compliance across distributed technology environments. By leveraging modern management and security capabilities, PNM enhances its ability to maintain secure, reliable, and well-governed technology operations while supporting proactive risk management and continuous improvement objectives.

Project No: 96829627 Tanium ELA 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829627** **Tanium ELA 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	1,000	1,000	1,000	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	158,333	158,333	158,333	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	459	1,370	2,340	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	80	80	80	-
914: Pension and Benefits	-	-	-	235	235	235	-
915: Injuries and Damages	-	-	-	22	22	22	-
921: Stores Load	-	-	-	5,174	5,174	5,174	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	(498,702)	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	165,303	166,214	(331,517)	-

Project No: 96829627 Tanium ELA 2027

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	3,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	475,000
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	4,168
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	240
914: Pension and Benefits	-	-	-	705
915: Injuries and Damages	-	-	-	65
921: Stores Load	-	-	-	15,523
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(498,702)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	(0)

Project No: 96829627 Tanium ELA 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	3,000	-	-	-	3,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	475,000	-	-	-	475,000	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	4,168	-	-	-	4,168	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	240	-	-	-	240	-	-	-
914: Pension and Benefits	705	-	-	-	705	-	-	-
915: Injuries and Damages	65	-	-	-	65	-	-	-
921: Stores Load	15,523	-	-	-	15,523	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(498,702)	-	-	-	(498,702)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	(0)	-	-	-	(0)	-	-	-

Project No: **96829627** **Tanium ELA 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	3,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	475,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	4,168
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	240
914: Pension and Benefits	-	-	-	-	-	-	705
915: Injuries and Damages	-	-	-	-	-	-	65
921: Stores Load	-	-	-	-	-	-	15,523
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(498,702)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: **96829628** **Oracle ELA 2028**

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 6/1/2028

Estimated Completion Date 8/31/2028

Description

The Oracle Enterprise License Agreement (ELA) 2028 project renews a three-year Enterprise License Agreement for Oracle database technologies used throughout PNM's business and operational environments. Oracle databases provide critical data management, storage, processing, and reporting capabilities that support enterprise applications, business processes, operational systems, and corporate information management functions. The agreement ensures continued access to Oracle software, vendor support, maintenance services, security updates, and product enhancements. Renewal of the enterprise license agreement helps maintain the reliability, availability, security, and supportability of the databases that serve as foundational components of numerous business and utility applications across the organization.

Project No: 96829628 Oracle ELA 2028

Project Need Justification	PNM relies on Oracle database technologies to support a broad range of business applications and systems that are critical to day-to-day operations. These databases store, manage, and provide access to information that supports utility operations, financial processes, regulatory reporting, asset management, customer service, and other essential functions. Renewal of the Oracle Enterprise License Agreement is necessary to maintain vendor support, software maintenance, security updates, and ongoing access to Oracle capabilities. Failure to renew the agreement could result in increased operational risk, reduced supportability, diminished security protections, and potential impacts to critical business systems that depend on Oracle database services.

Project No: **96829628** **Oracle ELA 2028**

Project Alternatives

Alternative 1) Allow the Oracle Enterprise License Agreement to expire and continue operating Oracle databases without vendor support. This approach would eliminate access to vendor maintenance, software updates, security patches, and technical support services. Operating unsupported database platforms would increase operational, reliability, and cybersecurity risks.

Alternative 2) Replace Oracle databases with alternative database technologies. While alternative platforms are available, migrating enterprise applications and databases would require extensive planning, application remediation, data conversion, testing, staff retraining, and operational transition activities. This alternative would introduce substantial implementation costs and operational risk.

Project No: 96829628 Oracle ELA 2028

Project Estimate Approach	Project estimates are developed using vendor renewal proposals, anticipated licensing and maintenance requirements, historical Oracle support expenditures, and internal assessments of future database utilization. Cost projections consider software licensing obligations, support services, maintenance agreements, and expected growth in enterprise database requirements over the agreement period. Estimates are reviewed against prior Oracle renewals, current contractual terms, and the organization's ongoing experience administering and supporting enterprise database platforms to establish a reasonable forecast of project costs.

Project No: **96829628** **Oracle ELA 2028**

Customer Benefit	Customers benefit from PNM's ability to maintain reliable and secure information systems that support utility operations and customer service functions. Oracle databases provide foundational data services for many business applications that enable operational decision-making, regulatory compliance, asset management, and customer support activities. By maintaining vendor-supported database platforms, the project helps ensure continued system availability, data integrity, and operational reliability. These capabilities contribute to the dependable operation of the systems that support safe and reliable electric service.

Project No: **96829628 Oracle ELA 2028**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **96829628** **Oracle ELA 2028**

General Services

Reliability & Resiliency

Safety & Security

Technology Advancements

Modern utility operations depend on reliable access to accurate and secure information. PNM continuously invests in technologies that improve the management, availability, protection, and performance of critical business data. Oracle database platforms provide advanced capabilities for data management, system integration, performance optimization, and information security that support enterprise applications across the organization. Maintaining current, vendor-supported database technologies helps ensure that PNM can effectively support evolving business requirements, leverage new product capabilities, and sustain the technology foundation necessary for future modernization initiatives and operational improvements.

Project No: 96829628 Oracle ELA 2028

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829628** **Oracle ELA 2028**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829628** **Oracle ELA 2028**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829628 Oracle ELA 2028

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829628** **Oracle ELA 2028**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	1,000	1,000	1,000	-	3,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	9,550,000	-	9,550,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	3	10	24,708	-	24,722
610: Expenses - General	-	-	-	-	30,000	-	30,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	80	80	80	-	240
914: Pension and Benefits	-	-	235	235	235	-	705
915: Injuries and Damages	-	-	22	22	22	-	65
921: Stores Load	-	-	-	-	312,094	-	312,094
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	(9,920,826)	-	(9,920,826)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	1,340	1,347	(2,688)	-	-

Project No: 96829646 CPR Telecom Blanket 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

Estimated Start Date 2/1/2026

Estimated Completion Date 12/31/2026

County %		
	Bernalillo	50%
	Denton (TX)	35%
	San Juan	5%
	Santa Fe	5%
	Dona Ana	5%

Description

The CPR Telecom Blanket 2026 project provides funding for the ongoing lifecycle replacement of telecommunications equipment that has reached the end of its useful life or is no longer supported by the manufacturer. Equipment replaced under this project is generally replaced with functionally equivalent technology and may include telephones, headsets, network switches, communication devices, and other telecommunications infrastructure components. The project helps maintain the reliability, supportability, and performance of the company's communications environment while reducing operational risks associated with aging or obsolete equipment.

Project No: 96829646 CPR Telecom Blanket 2026

Project Need Justification

PNM's telecommunications infrastructure consists of numerous hardware and communication components that support business operations, field personnel, and critical utility functions. These assets experience wear over time and eventually become obsolete as technology advances and vendor support expires. The CPR Telecom Blanket 2026 project provides a structured approach to replacing end-of-life telecommunications equipment, helping maintain system reliability, reduce maintenance challenges, and ensure continued access to vendor-supported technology that supports the organization's communications requirements.

Project No: 96829646 CPR Telecom Blanket 2026

Project Alternatives

Alternative 1) Continue operating existing telecommunications equipment beyond its intended lifecycle. This approach increases the likelihood of equipment failure, reduced reliability, and loss of vendor support, potentially affecting communications services necessary for business and utility operations.

Alternative 2) Repair aging telecommunications equipment as issues occur. While repairs may extend the life of certain assets, this approach does not address technology obsolescence, declining supportability, or increasing maintenance requirements and costs associated with older equipment.

Project No: **96829646** **CPR Telecom Blanket 2026**

Project Estimate Approach	Project estimates are based on anticipated equipment replacement requirements, vendor budgetary quotations, historical procurement costs, and internal telecommunications expertise. Cost projections are developed using prior lifecycle replacement experience, expected refresh schedules, and current market pricing for telecommunications hardware and related components.

Project No: **96829646** **CPR Telecom Blanket 2026**

Customer Benefit

Customers benefit from PNM's ability to maintain reliable communications systems that support utility operations, business continuity, and coordination of field activities. The CPR Telecom Blanket 2026 project reduces the likelihood of communication failures by proactively replacing aging and unsupported equipment before significant issues occur. Reliable telecommunications infrastructure supports efficient operations and helps ensure the continued delivery of safe and dependable electric service.

Project No: **96829646** **CPR Telecom Blanket 2026**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96829646** **CPR Telecom Blanket 2026**

General Services

Reliability & Resiliency

PNM's ability to provide safe and reliable electric service depends on maintaining dependable communications infrastructure throughout the organization. The CPR Telecom Blanket 2026 project supports operational excellence by replacing aging telecommunications equipment with reliable, vendor-supported technology. This proactive lifecycle management approach reduces operational risk, improves infrastructure reliability, and helps ensure that communications systems remain available to support critical business and utility operations.

Safety & Security

Technology Advancements

Project No: 96829646 CPR Telecom Blanket 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	21,550	1,364	1,364	1,364	1,364	1,364	1,364	29,732
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	81,559	76,364	100,000	76,364	100,000	90,000	76,364	600,650
370: Outside Services	187,290	4,727	4,727	4,727	4,727	4,727	4,727	215,653
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	455	455	455	455	455	455	2,727
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,184	1,703	2,185	2,683	3,177	3,683	4,309	19,924
610: Expenses - General	45	-	-	-	-	-	52,000	52,045
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	1,724	109	109	109	109	109	109	2,379
914: Pension and Benefits	4,704	298	298	298	298	298	298	6,491
915: Injuries and Damages	429	27	27	27	27	27	27	592
921: Stores Load	617	3,274	4,288	3,274	4,288	3,859	3,274	22,875
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(950,883)	(950,883)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	300,102	88,321	113,452	89,300	114,445	104,521	(807,956)	2,184

Project No: **96829646** **CPR Telecom Blanket 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	29,732	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	600,650	-	-	-	-	-	-
370: Outside Services	215,653	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	2,727	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	19,924	-	-	-	-	-	-
610: Expenses - General	52,045	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	2,379	-	-	-	-	-	-
914: Pension and Benefits	6,491	-	-	-	-	-	-
915: Injuries and Damages	592	-	-	-	-	-	-
921: Stores Load	22,875	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(950,883)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	2,184	-	-	-	-	-	-

Project No: **96829646** **CPR Telecom Blanket 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	29,732
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	600,650
370: Outside Services	-	-	-	215,653
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	2,727
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	19,924
610: Expenses - General	-	-	-	52,045
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	2,379
914: Pension and Benefits	-	-	-	6,491
915: Injuries and Damages	-	-	-	592
921: Stores Load	-	-	-	22,875
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(950,883)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	2,184

Project No: 96829646 CPR Telecom Blanket 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	29,732	-	-	-	29,732	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	600,650	-	-	-	600,650	-	-	-
370: Outside Services	215,653	-	-	-	215,653	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	2,727	-	-	-	2,727	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	19,924	-	-	-	19,924	-	-	-
610: Expenses - General	52,045	-	-	-	52,045	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,379	-	-	-	2,379	-	-	-
914: Pension and Benefits	6,491	-	-	-	6,491	-	-	-
915: Injuries and Damages	592	-	-	-	592	-	-	-
921: Stores Load	22,875	-	-	-	22,875	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(950,883)	-	-	-	(950,883)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	2,184	-	-	-	2,184	-	-	-

Project No: 96829646 CPR Telecom Blanket 2026

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	29,732
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	600,650
370: Outside Services	-	-	-	-	-	-	215,653
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	2,727
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	19,924
610: Expenses - General	-	-	-	-	-	-	52,045
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	2,379
914: Pension and Benefits	-	-	-	-	-	-	6,491
915: Injuries and Damages	-	-	-	-	-	-	592
921: Stores Load	-	-	-	-	-	-	22,875
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(950,883)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	2,184

Project No: 96829647 CPR Telecom Blanket 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

County %		
	Bernalillo	55%
	Denton (TX)	35%
	Santa Fe	5%
	Dona Ana	5%

Description

The CPR Telecom Blanket 2027 project provides funding for the ongoing replacement of telecommunications equipment that has reached the end of its useful life or is no longer supported by the manufacturer. Equipment replaced under this project is generally replaced with functionally equivalent technology that maintains existing communications capabilities while improving reliability, supportability, and operational performance. The project supports the lifecycle management of critical telecommunications infrastructure used throughout the organization, reducing the risk of equipment failures, increasing maintainability, and ensuring continued vendor support. By proactively replacing aging telecommunications assets, the project helps maintain dependable communication services that support business operations, field activities, and utility operations.

Project No: 96829647 CPR Telecom Blanket 2027

Project Need Justification

PNM's telecommunications infrastructure is comprised of numerous hardware components that support critical business, field, and operational communications. As telecommunications equipment ages, it becomes more susceptible to failure, increasing maintenance requirements and potentially losing manufacturer support. The CPR Telecom Blanket 2027 project provides funding for the systematic replacement of end-of-life telecommunications equipment with functionally equivalent technology, ensuring continued reliability, maintainability, and supportability of the communications infrastructure. This ongoing lifecycle replacement effort reduces operational risk, supports the availability of critical communication services, and helps ensure the continued operation of systems that support business and utility operations.

Project No: 96829647 CPR Telecom Blanket 2027

Project Alternatives

Alternative 1) Do nothing and continue operating existing telecommunications equipment beyond its recommended lifecycle. As telecommunications assets age, the risk of equipment failure, reduced reliability, limited vendor support, and increasing maintenance requirements grows. Continued reliance on end-of-life equipment could result in communication disruptions and increased operational risk for business and utility operations.

Alternative 2) Extend the life of existing telecommunications equipment through repairs and maintenance. While this approach may defer capital expenditures in the short term, it does not address underlying issues related to aging hardware, technology obsolescence, diminishing vendor support, and increasing maintenance costs. Continued investment in older equipment may reduce overall reliability and increase the likelihood of service interruptions.

Project No: **96829647** **CPR Telecom Blanket 2027**

Project Estimate Approach	Cost estimates are based on vendor-provided pricing, historical replacement costs, and internal experience managing similar telecommunications lifecycle replacement projects. Estimates reflect anticipated equipment replacement requirements and current market conditions at the time of planning

Project No: **96829647** **CPR Telecom Blanket 2027**

Customer Benefit

Customers benefit from PNM's ability to maintain reliable communications infrastructure that supports utility operations, field activities, and business continuity. The CPR Telecom Blanket 2027 project provides for the replacement of aging and end-of-life telecommunications equipment before failures occur, reducing the risk of communication disruptions that could impact operational effectiveness. By maintaining vendor-supported telecommunications infrastructure, improving system reliability, and reducing maintenance-related issues, the project helps ensure dependable communications capabilities that support safe, efficient, and reliable electric service delivery. Additionally, proactive lifecycle replacement helps manage long-term infrastructure costs while supporting the continued operation of critical communications systems used throughout the organization.

Project No: **96829647** **CPR Telecom Blanket 2027**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96829647** **CPR Telecom Blanket 2027**

General Services

Reliability & Resiliency

PNM's ability to provide safe and reliable electric service depends on maintaining dependable communications infrastructure that supports business operations, field personnel, and utility services. The CPR Telecom Blanket 2027 project supports the ongoing lifecycle replacement of aging telecommunications equipment with functionally equivalent, vendor-supported technology. By proactively replacing end-of-life assets, the project improves system reliability, reduces the risk of equipment failures, maintains supportability, and helps ensure the continued availability of critical communications services. This investment strengthens the resiliency and operational effectiveness of the telecommunications infrastructure that supports safe, efficient, and reliable utility operations.

Safety & Security

Technology Advancements

Project No: 96829647 CPR Telecom Blanket 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829647** **CPR Telecom Blanket 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	3,636	3,636	3,636	3,636	3,636
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	68,182	68,182	68,182	68,182	68,182
370: Outside Services	-	-	34,091	34,091	34,091	34,091	34,091
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	317	915	1,518	2,179	2,816
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	291	291	291	291	291
914: Pension and Benefits	-	-	855	855	855	855	855
915: Injuries and Damages	-	-	79	79	79	79	79
921: Stores Load	-	-	2,228	2,228	2,228	2,228	2,228
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	109,679	110,277	110,880	111,541	112,178

Project No: **96829647** **CPR Telecom Blanket 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	3,636	3,636	3,636	29,091
120: Overtime-General	-	-	-	-
350: Material Issues-Major	68,182	68,182	68,182	545,455
370: Outside Services	34,091	34,091	34,091	272,727
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	3,356	3,973	4,599	19,673
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	291	291	291	2,327
914: Pension and Benefits	855	855	855	6,839
915: Injuries and Damages	79	79	79	631
921: Stores Load	2,228	2,228	2,228	17,825
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	112,718	113,335	113,961	894,569

Project No: 96829647 CPR Telecom Blanket 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	29,091	3,636	3,636	3,636	40,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	545,455	68,182	68,182	68,182	750,000	-	-	-
370: Outside Services	272,727	34,091	34,091	34,091	375,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	19,673	5,119	5,737	6,521	37,049	-	-	-
610: Expenses - General	-	-	-	10,000	10,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,327	291	291	291	3,200	-	-	-
914: Pension and Benefits	6,839	855	855	855	9,404	-	-	-
915: Injuries and Damages	631	79	79	79	868	-	-	-
921: Stores Load	17,825	2,228	2,228	2,228	24,510	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(1,250,031)	(1,250,031)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	894,569	114,481	115,099	(1,124,148)	0	-	-	-

Project No: **96829647** **CPR Telecom Blanket 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	40,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	750,000
370: Outside Services	-	-	-	-	-	-	375,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	37,049
610: Expenses - General	-	-	-	-	-	-	10,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	3,200
914: Pension and Benefits	-	-	-	-	-	-	9,404
915: Injuries and Damages	-	-	-	-	-	-	868
921: Stores Load	-	-	-	-	-	-	24,510
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,250,031)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: 96829666 Microsoft CSP ELA and Azure 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The Microsoft CSP ELA and Azure 2026 project renews and expands PNM's Microsoft Cloud Solutions Provider (CSP) agreement while continuing the development and governance of the company's Azure cloud environment. The project provides centralized procurement, licensing management, and administration of Microsoft cloud services, while establishing a secure, scalable, and cost-optimized Azure foundation to support current and future business workloads. The Azure Landing Zone provides the governance, security, identity, networking, and operational controls necessary to support enterprise cloud adoption in accordance with corporate and cybersecurity standards. This investment enables PNM to modernize technology services, improve operational agility, maintain licensing compliance, support business continuity objectives, and provide a secure and scalable cloud platform capable of supporting future business initiatives, advanced analytics, artificial intelligence capabilities, and other enterprise technology needs.

Project No: 96829666 Microsoft CSP ELA and Azure 2026

Project Need Justification

PNM's adoption of Microsoft cloud services continues to grow as the organization modernizes technology platforms and supports evolving business needs. PNM identifies the need to transition from a piecemeal approach to cloud services toward a centralized, secure, and cost-optimized cloud operating model. The Microsoft CSP ELA and Azure 2026 project provides the governance, security, licensing management, and operational foundation necessary to support enterprise cloud adoption while maintaining regulatory compliance, cybersecurity protections, financial oversight, and business continuity requirements. The project is needed to establish and maintain a standardized cloud environment, improve management of Microsoft cloud services, optimize licensing and procurement, and provide a scalable platform for future business applications, analytics, and technology initiatives. This investment supports operational agility, cloud governance, and the secure deployment of cloud-based services that support business and utility operations.

Project No: **96829666** **Microsoft CSP ELA and Azure 2026**

Project Alternatives

Alternative 1) Continue utilizing Microsoft cloud services through decentralized procurement and management practices without a centralized Cloud Solutions Provider (CSP) agreement or Azure Landing Zone framework. PNM's existing approach to cloud services is fragmented and does not provide the same level of centralized governance, financial management, licensing oversight, and operational consistency. Continuing this approach would limit the organization's ability to effectively manage cloud adoption, optimize licensing, and maintain consistent security and governance standards across cloud environments.

Alternative 2) Delay implementation of the Azure Landing Zone and limit adoption of Microsoft cloud services. Deferring the establishment of a governed cloud foundation would reduce the organization's ability to deploy cloud-based solutions in a secure, scalable, and standardized manner. This approach could limit operational flexibility, hinder future technology initiatives, and reduce the organization's ability to leverage cloud capabilities while maintaining enterprise security, compliance, and governance requirements. Azure Landing Zones are intended to provide the foundational governance, security, identity, networking, and operational controls necessary for enterprise cloud adoption.

Project No: **96829666** **Microsoft CSP ELA and Azure 2026**

Project Estimate Approach	Cost estimates are based on projected Microsoft cloud consumption, licensing requirements, vendor quotations, and implementation services necessary to support the Azure Landing Zone and associated cloud services. Estimated costs reflect anticipated business demand over the agreement term and are managed through centralized procurement, licensing optimization, and negotiated pricing to ensure a cost-effective and scalable cloud operating model.

Project No: **96829666** **Microsoft CSP ELA and Azure 2026**

Customer Benefit

Customers benefit from PNM's ability to deliver reliable, secure, and cost-effective technology services that support utility operations. Microsoft CSP ELA and Azure 2026 project establishes a secure, governed, and scalable cloud foundation while providing centralized management of Microsoft cloud services and licensing. By improving cloud governance, enhancing cybersecurity controls, optimizing technology resources, and supporting business continuity objectives, the project enables the efficient deployment and operation of business applications and technology services. These capabilities help maintain the reliability, resiliency, and operational efficiency of the systems that support customer service and the delivery of safe and reliable electric service.

Project No: **96829666** **Microsoft CSP ELA and Azure 2026**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96829666** **Microsoft CSP ELA and Azure 2026**

General Services

Reliability & Resiliency

PNM's ability to provide safe and reliable electric service depends on maintaining modern, secure, and scalable technology platforms that support evolving business and operational needs. The Microsoft CSP ELA and Azure 2026 project advances the organization's cloud strategy by establishing a governed and secure cloud foundation while providing centralized management of Microsoft cloud services and licensing. The project enhances operational agility, improves cloud governance, strengthens cybersecurity controls, and enables the efficient deployment of cloud-based applications and services. By providing a scalable platform that supports future technology initiatives, advanced analytics, automation, artificial intelligence capabilities, and business continuity objectives, this investment helps ensure that PNM can effectively leverage modern technology solutions to support reliable and cost-effective utility operations.

Safety & Security

Technology Advancements

Project No: 96829666 Microsoft CSP ELA and Azure 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	130,961	837,404	127,812	127,872	127,976	128,282	1,480,309
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	327	2,719	5,115	5,759	6,360	7,055	27,335
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,507,644)	(1,507,644)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	131,288	840,124	132,927	133,631	134,336	(1,372,306)	-

Project No: **96829666** **Microsoft CSP ELA and Azure 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	1,480,309	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	27,335	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,507,644)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829666** **Microsoft CSP ELA and Azure 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	1,480,309
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	27,335
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,507,644)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829666 Microsoft CSP ELA and Azure 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	1,480,309	-	-	-	1,480,309	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	27,335	-	-	-	27,335	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,507,644)	-	-	-	(1,507,644)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829666** **Microsoft CSP ELA and Azure 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	1,480,309
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	27,335
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,507,644)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829728 ServiceNow ELA 2028

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 2/1/2028

Estimated Completion Date 6/20/2028

Description

The ServiceNow Enterprise License Agreement (ELA) 2028 project renews a capitalizable Enterprise License Agreement for the ServiceNow platform. ServiceNow serves as a core enterprise workflow and service management solution that supports information technology service management, asset management, configuration management, change management, incident management, business continuity processes, and other business workflows across PNM. The platform enables the organization to standardize and automate critical processes, improve visibility into technology assets and services, streamline issue resolution, and support efficient delivery of technology and business services. Renewal of the enterprise license agreement ensures continued vendor support, software updates, cybersecurity enhancements, and ongoing access to platform capabilities that support operational efficiency, system reliability, and business continuity across the enterprise.

Project No: 96829728 ServiceNow ELA 2028

Project Need Justification

PNM relies on the ServiceNow platform to support enterprise service management, workflow automation, asset management, configuration management, change management, incident management, and other operational processes across the organization. The platform provides a centralized system for managing and tracking technology services, support requests, IT assets, and business workflows that are critical to daily operations. Continued use of the platform requires renewal of the three-year enterprise license agreement to maintain vendor support, software updates, cybersecurity enhancements, and ongoing access to platform functionality. Renewal of the ServiceNow ELA helps ensure the efficient delivery of technology and business services, supports operational reliability, and enables the organization to effectively manage and automate critical business processes.

Project No: **96829728** **ServiceNow ELA 2028**

Project Alternatives

Alternative 1) Do nothing and allow the ServiceNow Enterprise License Agreement to expire. PNM relies on the ServiceNow platform to support enterprise service management, workflow automation, incident management, change management, asset management, and other critical business processes. Allowing the license to expire would jeopardize access to vendor support, software updates, security enhancements, and continued platform functionality, reducing the organization's ability to efficiently manage and support technology and business services. Based on internal materials, ServiceNow is used as an enterprise platform supporting multiple operational and technology processes across the organization.

Alternative 2) Replace ServiceNow with an alternative enterprise service management platform. PNM continuously evaluates available technologies to ensure they meet operational and business requirements. At this time, ServiceNow continues to provide integrated workflow and service management capabilities that support a broad range of business and technology functions. Migrating to a different platform would require significant implementation effort, data migration, process redesign, integration work, and retraining of personnel. Such a transition would result in increased costs, operational disruption, and implementation risks while providing no demonstrated benefit over the existing solution.

Project No: **96829728** **ServiceNow ELA 2028**

Project Estimate Approach	Project cost estimates were developed using vendor renewal proposals, anticipated licensing requirements, negotiated contract terms, and projected utilization of ServiceNow capabilities throughout the agreement period. The estimate reflects expected subscription costs, platform support services, implementation assistance, and allowable project-related overhead necessary to support continued operation and expansion of the platform. Cost assumptions were also informed by TXNM's experience managing enterprise software agreements, historical ServiceNow expenditures, and evaluations of future business and technology requirements. This approach provides a reasonable forecast of the resources required to maintain the platform and support its ongoing use across the organization over the life of the agreement.

Project No: **96829728** **ServiceNow ELA 2028**

Customer Benefit

Customers benefit from PNM's ability to efficiently manage and support the technology services and business processes that enable utility operations. The ServiceNow platform helps standardize and automate service requests, incident management, change management, asset management, and other enterprise workflows, improving operational efficiency and visibility across the organization. By supporting the timely resolution of issues, effective management of technology resources, and continuity of critical business processes, the ServiceNow Enterprise License Agreement helps maintain reliable operations and supports PNM's ability to provide safe and reliable electric service to customers.

Project No: **96829728** **ServiceNow ELA 2028**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96829728** **ServiceNow ELA 2028**

General Services

Reliability & Resiliency

PNM's ability to provide safe and reliable electric service depends on efficient, standardized, and well-managed business and technology operations. The ServiceNow platform supports these objectives by providing enterprise workflow automation and centralized management of service requests, incidents, changes, assets, and other critical business processes. By enabling consistent processes, improving operational visibility, and reducing manual effort, ServiceNow helps enhance organizational efficiency and supports the reliable delivery of technology and business services. Renewal of the ServiceNow Enterprise License Agreement ensures continued access to vendor support, software enhancements, security updates, and platform capabilities that help PNM maintain modern, effective, and reliable operations.

Safety & Security

Technology Advancements

Project No: 96829728 ServiceNow ELA 2028

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829728** **ServiceNow ELA 2028**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829728** **ServiceNow ELA 2028**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829728 ServiceNow ELA 2028

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	600	600
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2	6
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	48	48
914: Pension and Benefits	-	-	-	-	-	-	141	141
915: Injuries and Damages	-	-	-	-	-	-	13	13
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	804	809

Project No: **96829728** **ServiceNow ELA 2028**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	600	600	600	-	-	-	3,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	5,075,000	300,000	-	-	-	5,375,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	11	13,924	28,288	-	-	-	42,231
610: Expenses - General	-	-	43,203	-	-	-	43,203
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	48	48	48	-	-	-	240
914: Pension and Benefits	141	141	141	-	-	-	705
915: Injuries and Damages	13	13	13	-	-	-	65
921: Stores Load	-	165,851	9,804	-	-	-	175,655
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(5,640,099)	-	-	-	(5,640,099)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	813	5,255,577	(5,258,002)	-	-	-	-

Project No: 96829757 Traka ELA 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2027

Estimated Completion Date 5/31/2027

Description

The Traka Enterprise License Agreement (ELA) 2027 project renews a three-year capitalizable license for the Traka key and device management system. Traka provides centralized management and controlled access to secured key cabinets and device lockers used throughout New Mexico and Texas. The system enables authorized personnel to securely check out and return keys, radios, tablets, and other critical assets while maintaining an auditable record of asset usage and custody. Renewal of the enterprise license ensures continued vendor support, software updates, cybersecurity patches, and ongoing system functionality. This investment supports the secure management of company assets, enhances accountability, and helps maintain the safety and security of facilities and operations across the organization.

Project No: 96829757 Traka ELA 2027

Project Need Justification	PNM relies on the Traka key and device management system to control and monitor access to keys, radios, tablets, and other critical assets used throughout New Mexico and Texas. The system provides secure, auditable accountability for asset issuance and return, helping ensure that only authorized personnel have access to company resources. Continued use of the platform requires renewal of the three-year enterprise license agreement to maintain vendor support, software updates, security enhancements, and ongoing system functionality. Renewal of the Traka ELA helps support the secure management of company assets, reduces the risk of unauthorized access, and enhances operational efficiency across the organization.

Project No: **96829757** **Traka ELA 2027**

Project Alternatives

Alternative 1) Do nothing and allow the Traka Enterprise License Agreement to expire. PNM relies on the Traka platform to control and monitor access to keys, devices, and other critical assets through secure key and device management cabinets located throughout New Mexico and Texas. Allowing the license to expire would jeopardize access to vendor support, software updates, security enhancements, and continued system functionality, reducing the organization's ability to effectively manage and audit access to company assets.

Alternative 2) Replace Traka with an alternative key and device management solution. PNM continuously evaluates available technologies to ensure they meet operational and security requirements. At this time, Traka continues to provide the functionality necessary to manage access to keys and devices in a secure, auditable, and efficient manner. Transitioning to a different platform would require significant implementation effort, integration with existing processes, retraining of personnel, and potential replacement or modification of deployed equipment. Such a transition would result in increased costs and operational risks while providing no demonstrated benefit over the existing solution.

Project No: **96829757** **Traka ELA 2027**

Project Estimate Approach	Not required for projects with less than $250,000 of expenditures.

Project No: **96829757** **Traka ELA 2027**

Customer Benefit	Customers benefit from PNM's ability to securely manage the company assets and resources that support utility operations. The Traka platform provides controlled, auditable access to keys, devices, and other critical assets, helping ensure that authorized personnel can efficiently access the tools and facilities necessary to perform their work. By improving asset accountability, reducing the risk of unauthorized access, and supporting the efficient operation of field and facility activities, the Traka Enterprise License Agreement helps PNM maintain safe, secure, and reliable operations in support of customer service.

Project No: **96829757 Traka ELA 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829757** **Traka ELA 2027**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining secure control of critical assets, facilities, and operational resources. The Traka platform supports these objectives by providing controlled, auditable access to keys, devices, and other assets used throughout New Mexico and Texas. The system helps ensure that only authorized personnel can access company resources while providing accountability and visibility into asset usage. Maintaining the Traka Enterprise License Agreement supports the protection of company assets, enhances employee and facility security, reduces the risk of unauthorized access, and contributes to the safe and secure operation of utility services.

Technology Advancements

Technology continues to transform the way organizations manage physical assets, access controls, and operational accountability. PNM seeks to leverage modern asset management and access control technologies that improve visibility, automate administrative processes, and strengthen control over critical resources. Advanced electronic key and asset management capabilities provide improved tracking, reporting, and auditability while reducing manual processes and improving operational efficiency. By implementing technologies that enhance accountability and provide real-time visibility into asset use and access activities, PNM strengthens its security posture and supports more effective management of critical facilities, equipment, and operational resources.

Project No: 96829757 Traka ELA 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829757** **Traka ELA 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	1,000	1,000	1,000	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	16,667	16,667	16,667	-
370: Outside Services	-	-	-	3,333	3,333	3,333	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	64	190	325	-
610: Expenses - General	-	-	-	1,000	1,000	1,000	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	80	80	80	-
914: Pension and Benefits	-	-	-	235	235	235	-
915: Injuries and Damages	-	-	-	22	22	22	-
921: Stores Load	-	-	-	545	545	545	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	(69,223)	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	22,945	23,072	(46,017)	-

Project No: 96829757 Traka ELA 2027

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	3,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	50,000
370: Outside Services	-	-	-	10,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	579
610: Expenses - General	-	-	-	3,000
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	240
914: Pension and Benefits	-	-	-	705
915: Injuries and Damages	-	-	-	65
921: Stores Load	-	-	-	1,634
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(69,223)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829757 Traka ELA 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	3,000	-	-	-	3,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	50,000	-	-	-	50,000	-	-	-
370: Outside Services	10,000	-	-	-	10,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	579	-	-	-	579	-	-	-
610: Expenses - General	3,000	-	-	-	3,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	240	-	-	-	240	-	-	-
914: Pension and Benefits	705	-	-	-	705	-	-	-
915: Injuries and Damages	65	-	-	-	65	-	-	-
921: Stores Load	1,634	-	-	-	1,634	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(69,223)	-	-	-	(69,223)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829757** **Traka ELA 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	3,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	50,000
370: Outside Services	-	-	-	-	-	-	10,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	579
610: Expenses - General	-	-	-	-	-	-	3,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	240
914: Pension and Benefits	-	-	-	-	-	-	705
915: Injuries and Damages	-	-	-	-	-	-	65
921: Stores Load	-	-	-	-	-	-	1,634
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(69,223)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829766** **Enterprise Data Storage Refr 2026**

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information County % Bernalillo 100%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The Enterprise Data Storage Refresh project replaces aging first-tier and second-tier storage area network (SAN) infrastructure that supports critical business applications, virtualized computing environments, cybersecurity systems, data management platforms, and disaster recovery services. The project refreshes enterprise storage hardware with current-generation technology that provides improved performance, reliability, scalability, and operational efficiency while maintaining vendor support and supportability. As storage infrastructure ages, the risk of hardware failures, performance degradation, and increasing maintenance costs rises, potentially impacting the availability of critical technology services. This investment modernizes the company's enterprise storage environment, enhances data availability and resiliency, improves operational efficiency, and reduces risks associated with unsupported or aging infrastructure that supports business and utility operations.

Project No: 96829766 Enterprise Data Storage Refr 2026

Project Need Justification

PNM relies on enterprise storage infrastructure to support critical business applications, virtualized environments, cybersecurity systems, and disaster recovery services. As storage hardware ages, the risk of equipment failure, performance degradation, capacity limitations, and increased maintenance costs grows, potentially impacting the availability of critical technology services. The Enterprise Data Storage Refresh project replaces aging first-tier and second-tier SAN storage arrays with current-generation technology that improves reliability, performance, scalability, and vendor support while reducing operational risk and ensuring the continued availability of systems and data that support business operations and the delivery of safe and reliable electric service.

Project No: 96829766 Enterprise Data Storage Refr 2026

Project Alternatives

Alternative 1) Do nothing and continue operating the existing storage infrastructure. As enterprise storage systems age, the risk of hardware failures, performance degradation, capacity constraints, and increased maintenance costs grows. Continuing to operate aging storage arrays may result in reduced reliability, diminished vendor support, and an increased likelihood of disruptions to critical business applications, cybersecurity systems, and disaster recovery services.

Alternative 2) Extend the life of the existing storage environment through incremental repairs and maintenance. While this approach may defer capital expenditures in the short term, it does not address underlying concerns related to aging hardware, technology obsolescence, performance limitations, or declining vendor support. Reliance on older equipment can increase operational complexity, raise support costs, and heighten the risk of service interruptions impacting business and utility operations.

Project No: 96829766 Enterprise Data Storage Refr 2026

Project Estimate Approach	Project cost estimates were developed using historical experience from previous enterprise storage refresh initiatives involving similar technologies and infrastructure platforms. The estimate reflects anticipated hardware, software, implementation, and support requirements based on current storage capacity needs, expected growth rates, and vendor lifecycle recommendations. Cost assumptions were further refined through consultation with storage infrastructure specialists, evaluation of prevailing market conditions, and review of technology roadmaps for enterprise data storage platforms. This approach provides a reasonable forecast of the resources required to maintain a reliable, scalable, and vendor-supported storage environment that supports critical business and utility operations.

Project No: **96829766** **Enterprise Data Storage Refr 2026**

Customer Benefit

Customers benefit from PNM's ability to maintain reliable, secure, and resilient technology infrastructure that supports critical business and utility operations. The Enterprise Data Storage Refresh project replaces aging storage systems with current-generation technology that improves data availability, system performance, and infrastructure reliability. By reducing the risk of hardware failures, minimizing potential service disruptions, and maintaining vendor-supported storage platforms, the project helps ensure the continuous operation of business applications, cybersecurity systems, and disaster recovery services that support the delivery of safe and reliable electric service. Additionally, improved storage efficiency and scalability support the cost-effective management of technology resources while enabling future business and operational needs.

Project No: **96829766** **Enterprise Data Storage Refr 2026**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96829766** **Enterprise Data Storage Refr 2026**

General Services

Reliability & Resiliency

PNM's ability to provide safe and reliable electric service depends on the availability, performance, and resiliency of the technology infrastructure that supports critical business and operational systems. The Enterprise Data Storage Refresh project enhances the reliability and supportability of the company's data storage environment by replacing aging storage infrastructure with current-generation technology. The refreshed storage platform improves data availability, system performance, scalability, and vendor support while reducing the risk of hardware failures and service disruptions. By maintaining a resilient and efficient storage environment, the project supports the continued operation of critical applications, cybersecurity systems, and disaster recovery capabilities that are essential to reliable business operations and the delivery of safe and dependable electric service to customers.

Safety & Security

Technology Advancements

Project No: 96829766 Enterprise Data Storage Refr 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	3,346	3,000	3,000	7,000	7,000	25,000	25,000	73,346
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	1,200,000	-	-	-	-	-	1,200,000
370: Outside Services	54,566	-	-	-	-	-	-	54,566
374: Outside Services Legal	129	-	-	-	-	-	-	129
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	177	3,429	6,527	6,587	6,896	7,460	8,067	39,142
610: Expenses - General	-	-	-	-	100,000	100,000	50,000	250,000
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	268	240	240	560	560	2,000	2,000	5,868
914: Pension and Benefits	731	655	655	1,528	1,528	5,458	5,458	16,012
915: Injuries and Damages	67	60	60	139	139	498	498	1,460
921: Stores Load	165	51,456	-	-	-	-	-	51,621
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,691,966)	(1,691,966)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	59,448	1,258,840	10,481	15,814	116,123	140,415	(1,600,944)	177

Project No: **96829766** **Enterprise Data Storage Refr 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	73,346	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	1,200,000	-	-	-	-	-	-
370: Outside Services	54,566	-	-	-	-	-	-
374: Outside Services Legal	129	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	39,142	-	-	-	-	-	-
610: Expenses - General	250,000	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	5,868	-	-	-	-	-	-
914: Pension and Benefits	16,012	-	-	-	-	-	-
915: Injuries and Damages	1,460	-	-	-	-	-	-
921: Stores Load	51,621	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,691,966)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	177	-	-	-	-	-	-

Project No: **96829766** **Enterprise Data Storage Refr 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	73,346
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	1,200,000
370: Outside Services	-	-	-	54,566
374: Outside Services Legal	-	-	-	129
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	39,142
610: Expenses - General	-	-	-	250,000
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	5,868
914: Pension and Benefits	-	-	-	16,012
915: Injuries and Damages	-	-	-	1,460
921: Stores Load	-	-	-	51,621
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,691,966)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	177

Project No: 96829766 Enterprise Data Storage Refr 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	73,346	-	-	-	73,346	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,200,000	-	-	-	1,200,000	-	-	-
370: Outside Services	54,566	-	-	-	54,566	-	-	-
374: Outside Services Legal	129	-	-	-	129	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	39,142	-	-	-	39,142	-	-	-
610: Expenses - General	250,000	-	-	-	250,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	5,868	-	-	-	5,868	-	-	-
914: Pension and Benefits	16,012	-	-	-	16,012	-	-	-
915: Injuries and Damages	1,460	-	-	-	1,460	-	-	-
921: Stores Load	51,621	-	-	-	51,621	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,691,966)	-	-	-	(1,691,966)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	177	-	-	-	177	-	-	-

Project No: **96829766** **Enterprise Data Storage Refr 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	73,346
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	1,200,000
370: Outside Services	-	-	-	-	-	-	54,566
374: Outside Services Legal	-	-	-	-	-	-	129
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	39,142
610: Expenses - General	-	-	-	-	-	-	250,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	5,868
914: Pension and Benefits	-	-	-	-	-	-	16,012
915: Injuries and Damages	-	-	-	-	-	-	1,460
921: Stores Load	-	-	-	-	-	-	51,621
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,691,966)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	177

Project No: 96829827 Infoblox ELA 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 9/1/2027

Estimated Completion Date 10/31/2027

Description

The Infoblox Enterprise License Agreement (ELA) 2027 project renews a three-year capitalizable license for the Infoblox network management system. Infoblox provides centralized management of critical network services, including Domain Name System (DNS), Dynamic Host Configuration Protocol (DHCP), and IP Address Management (IPAM), which support the operation and reliability of PNM's enterprise technology infrastructure. Renewal of the enterprise license ensures continued vendor support, software updates, cybersecurity patches, and ongoing system functionality. This investment supports the reliability, security, and efficient management of the company's network infrastructure, which is essential for business operations and the delivery of utility services.

Project No: 96829827 Infoblox ELA 2027

Project Need Justification	PNM relies on the Infoblox platform to provide centralized management of critical network services, including DNS (Domain Name System), DHCP (Dynamic Host Configuration Protocol), and IP Address Management (IPAM). These foundational services are required for the reliable operation of the company's enterprise technology infrastructure and support connectivity for business and operational systems. Continued use of the platform requires renewal of the three-year enterprise license agreement to maintain vendor support, software updates, security patches, and ongoing system functionality. Renewal of the Infoblox ELA helps ensure the reliability, security, and efficient management of network services that are essential to daily business operations.

Project No: **96829827** **Infoblox ELA 2027**

Project Alternatives

Alternative 1) Do nothing and allow the Infoblox Enterprise License Agreement to expire. PNM relies on the Infoblox platform to provide DNS, DHCP, and IP address management services that support the operation of the company's enterprise network infrastructure. Allowing the license to expire would jeopardize access to vendor support, software updates, security patches, and continued system functionality, increasing operational and cybersecurity risks to critical network services.

Alternative 2) Replace Infoblox with an alternative network management solution. PNM continuously evaluates available technologies to ensure they meet operational, security, and business requirements. At this time, Infoblox continues to provide the functionality necessary to centrally manage critical DNS, DHCP, and IP address management services. Migrating to a different platform would require significant planning, implementation effort, system integration, personnel training, and potential service disruption. Such a transition would introduce additional costs and operational risks while providing no demonstrated benefit over the existing solution.

Project No: **96829827** **Infoblox ELA 2027**

Project Estimate Approach

Project cost estimates were developed using vendor renewal proposals, anticipated licensing and support requirements, existing contractual terms, and internal evaluations of future platform utilization. In developing the estimate, PNM considered historical operating experience with enterprise network services, input from technical specialists responsible for core infrastructure management, and industry reference information related to comparable technology environments. The estimate reflects expected software subscription costs, support services, maintenance obligations, and associated project costs necessary to sustain the Infoblox platform and maintain reliable enterprise network operations throughout the agreement period.

Project No: **96829827** **Infoblox ELA 2027**

Customer Benefit	Customers benefit from the reliable operation of the technology infrastructure that supports PNM's business and utility operations. The Infoblox platform provides centralized management of critical network services, including DNS, DHCP, and IP address management, which help maintain the availability, stability, and security of enterprise systems. By supporting reliable network operations and reducing the risk of service disruptions to critical business functions, the Infoblox Enterprise License Agreement helps PNM efficiently support the systems and processes necessary to provide safe and reliable electric service to customers.

Project No: **96829827** **Infoblox ELA 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829827** **Infoblox ELA 2027**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining a stable, secure, and well-managed technology infrastructure. The Infoblox platform provides centralized management of critical network services, including DNS, DHCP, and IP address management, which are foundational to enterprise network operations. By maintaining a modern and supported network management platform, PNM can improve operational efficiency, enhance visibility into network resources, reduce the risk of service disruptions, and support the reliable operation of technology systems that enable utility business functions. Renewal of the Infoblox Enterprise License Agreement ensures continued access to vendor support, software enhancements, and security updates necessary to sustain these capabilities.

Technology Advancements

Reliable utility operations depend on maintaining secure, resilient, and well-integrated network services that support the flow of information throughout the enterprise. PNM continuously evaluates advancements in network management, automation, and infrastructure services to improve operational effectiveness and strengthen the performance of critical technology platforms. The Infoblox Enterprise License Agreement supports modern capabilities for network management, DNS, DHCP, IP address management, and related services that improve visibility, operational efficiency, and system reliability. By leveraging proven technologies and industry best practices, PNM enhances its ability to support evolving business requirements, strengthen cybersecurity foundations, and maintain a scalable technology environment capable of supporting future growth and innovation.

Project No: 96829827 Infoblox ELA 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829827** **Infoblox ELA 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829827** **Infoblox ELA 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	1,000	1,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	160,000	160,000
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	459	459
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	80	80
914: Pension and Benefits	-	-	235	235
915: Injuries and Damages	-	-	22	22
921: Stores Load	-	-	5,229	5,229
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	167,024	167,024

Project No: 96829827 Infoblox ELA 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	1,000	1,000	-	-	2,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	160,000	160,000	-	-	320,000	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	459	1,382	-	-	1,841	-	-	-
610: Expenses - General	-	12,000	-	-	12,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	80	80	-	-	160	-	-	-
914: Pension and Benefits	235	235	-	-	470	-	-	-
915: Injuries and Damages	22	22	-	-	43	-	-	-
921: Stores Load	5,229	5,229	-	-	10,458	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	(346,972)	-	-	(346,972)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	167,024	(167,024)	-	-	-	-	-	-

Project No: **96829827** **Infoblox ELA 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	2,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	320,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	1,841
610: Expenses - General	-	-	-	-	-	-	12,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	160
914: Pension and Benefits	-	-	-	-	-	-	470
915: Injuries and Damages	-	-	-	-	-	-	43
921: Stores Load	-	-	-	-	-	-	10,458
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(346,972)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96829845 DFIN Collaboration ELA 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 10/1/2026

Estimated Completion Date 12/31/2026

Description

The DFIN Collaboration Enterprise License Agreement (ELA) 2026 project renews a capitalizable three-year software license for the Donnelly Financial Systems (DFIN) suite of collaboration tools used in many areas of PNMR. PNMR has used DFIN (and its predecessor Open Text eDocs) for many years to ensure employees and departments can work efficiently and safely to jointly author critical documents such as designs, requirements, legal matters, contracts, and training materials.

Project No: **96829845** **DFIN Collaboration ELA 2026**

Project Need Justification

In today's highly automated, computerized world, PNM's business is extremely dependent on safe, secure, and reliable collaboration between employees and departments as they work together on many kinds of documents. Renewal of this industry-standard system will provide uninterrupted and regular security patching, thus protecting the integrity of documents as well as PNM's network as a whole. This project helps ensure the application and the platform are compliant with PNM's systems lifecycle management and security policies.

Project No: **96829845** **DFIN Collaboration ELA 2026**

Project Alternatives

Alternative 1) is to do nothing. This would create security patching and other document-related issues.

Alternative 2) is to work with another vendor. PNM has periodically explored other providers including tools built on Microsoft SharePoint which the company uses extensively for other purposes; however, the DFIN software suite provides unparalleled flexibility and security and is PNM's choice for collaboration tools at this time and the near term.

Project No: **96829845** **DFIN Collaboration ELA 2026**

Project Estimate Approach

Project cost estimates were developed using vendor-provided licensing and renewal proposals, anticipated subscription requirements, and internal assessments of expected platform utilization during the agreement period. The estimate also reflects anticipated support services, implementation assistance, and applicable project-related costs necessary to maintain collaboration capabilities across the organization. Cost assumptions were validated using historical licensing expenditures, experience gained from managing similar enterprise software agreements, and evaluations of future business requirements. This approach provides a reasonable projection of the resources needed to sustain the platform and support continued collaboration services throughout the agreement term.

Project No: **96829845** **DFIN Collaboration ELA 2026**

Customer Benefit	PNM customers benefit from the company's use of the DFIN collaboration system with timely and accurate responses to legal and regulatory matters. Many experts at PNM are able to use this system to efficiently respond to regulatory queries, often in tight timeframes, while being assured responses will be accurate and responsive.

Project No: **96829845** **DFIN Collaboration ELA 2026**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **96829845 DFIN Collaboration ELA 2026**

General Services

DFIN Collaboration is an industry leader in advanced collaboration systems that helps PNM respond quickly and accurately to many types of documentation requirements, often requiring the input of many varied and dispersed experts throughout the company.

Reliability & Resiliency

Safety & Security

Technology Advancements

Project No: 96829845 DFIN Collaboration ELA 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	1,800,000	-	1,800,000
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	4,585	9,488	14,074
610: Expenses - General	-	-	-	-	-	-	100,000	100,000
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	77,184	-	77,184
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,991,258)	(1,991,258)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	1,881,769	(1,881,769)	-

Project No: **96829845** **DFIN Collaboration ELA 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	1,800,000	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	14,074	-	-	-	-	-	-
610: Expenses - General	100,000	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	77,184	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,991,258)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829845** **DFIN Collaboration ELA 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	1,800,000
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	14,074
610: Expenses - General	-	-	-	100,000
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	77,184
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,991,258)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96829845 DFIN Collaboration ELA 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	1,800,000	-	-	-	1,800,000	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	14,074	-	-	-	14,074	-	-	-
610: Expenses - General	100,000	-	-	-	100,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	77,184	-	-	-	77,184	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,991,258)	-	-	-	(1,991,258)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829845** **DFIN Collaboration ELA 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	1,800,000
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	14,074
610: Expenses - General	-	-	-	-	-	-	100,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	77,184
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,991,258)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96829857** **Privil Sys Session Mgmt Ph 1 2027**

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Privileged System Session Management project establishes enhanced monitoring and recording of privileged user sessions across critical systems and technology platforms. The solution provides visibility into activities performed by users with elevated administrative access, creating an auditable record of system changes, access events, and administrative actions. By improving oversight of privileged accounts, the project strengthens accountability, supports security investigations, and enhances the organization's ability to detect and respond to unauthorized or inappropriate activity. This investment is a key component of PNM's information security and monitoring program, improving cybersecurity controls, audit readiness, regulatory compliance, and protection of critical business and operational systems that support utility operations.

Project No: 96829857 Privil Sys Session Mgmt Ph 1 2027

Project Need Justification

As PNM's technology environment continues to grow in complexity, an increasing number of systems, applications, cloud services, and infrastructure platforms require privileged administrative access to perform support, maintenance, and operational functions. Users with elevated privileges possess the ability to modify critical configurations, access sensitive information, and make changes that can significantly affect business and operational systems. Existing logging and monitoring capabilities provide limited visibility into the detailed activities performed during privileged sessions, making it more difficult to identify unauthorized actions, investigate security events, and demonstrate compliance with audit and regulatory requirements. The Privileged System Session Management Phase 1 project is needed to establish comprehensive monitoring, recording, and oversight of privileged activities across critical systems. By creating an auditable record of privileged user actions, the solution strengthens accountability, improves security investigations, enhances governance, and reduces risks associated with misuse, compromise, or unauthorized use of elevated access privileges. These capabilities support ongoing cybersecurity, compliance, and risk management efforts while helping protect the technology systems that enable safe and reliable utility operations.

Project No: **96829857** **Privil Sys Session Mgmt Ph 1 2027**

Project Alternatives

Alternative 1) Do nothing and continue operating without privileged session monitoring and recording capabilities. Privileged users have elevated access rights to critical systems and technology platforms, making their activities difficult to fully review and audit without dedicated monitoring tools. Continuing without this capability would limit visibility into privileged activities, reduce accountability, and increase the risk that unauthorized, inappropriate, or accidental actions may not be detected or investigated in a timely manner.

Alternative 2) Rely on native system logs and manual monitoring processes. While some systems provide basic logging capabilities, manually collecting, correlating, and reviewing privileged activity across multiple platforms would require significant administrative effort and may not provide a complete or consistent audit trail. This approach would increase the potential for gaps in monitoring, reduce operational efficiency, and make compliance and audit activities more difficult to perform.

Project No: 96829857 Privil Sys Session Mgmt Ph 1 2027

Project Estimate Approach

Project cost estimates were developed using budgetary pricing obtained from potential solution providers, anticipated implementation requirements, and evaluations of platform capabilities relative to organizational security objectives. Cost assumptions reflect expected software licensing, implementation services, system integrations, configuration activities, testing, and operational readiness efforts. The estimate was further informed by industry best practices for privileged access management programs, internal cybersecurity planning activities, and experience gained from implementing comparable enterprise security technologies. This approach provides a reasonable projection of the resources required to deploy and support the planned capabilities.

Project No: **96829857** **Privil Sys Session Mgmt Ph 1 2027**

Customer Benefit	Customers benefit from PNM's ability to maintain secure and reliable technology systems that support utility operations. The Privileged System Session Management project enhances cybersecurity oversight by monitoring and recording activities performed by users with elevated access rights to critical systems and applications. By improving accountability, strengthening security controls, and providing detailed audit records of administrative activities, the solution helps reduce the risk of unauthorized changes, security incidents, and disruptions to critical business and operational systems.

Project No: **96829857** **Privil Sys Session Mgmt Ph 1 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829857** **Privil Sys Session Mgmt Ph 1 2027**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining strong cybersecurity controls and effective oversight of access to critical technology systems. The Privileged System Session Management project enhances the organization's security posture by providing monitoring and recording of activities performed by users with elevated administrative privileges. These capabilities improve accountability, strengthen audit and compliance readiness, and support the timely detection and investigation of unauthorized or inappropriate activity. By increasing visibility into privileged system access and administrative actions, the project helps protect critical business and operational systems, reduces cybersecurity risk, and supports the secure and reliable operation of technology services that enable utility operations.

Technology Advancements

As technology environments become more complex and interconnected, organizations require increasingly advanced tools to govern and monitor privileged access to critical systems. PNM continues to invest in modern security technologies that improve visibility into administrative activities, strengthen accountability, and support effective control of elevated system privileges. Advanced session monitoring and recording capabilities provide enhanced oversight of privileged activities, improve audit readiness, and support more efficient investigation of security events. By implementing these modern security capabilities, PNM strengthens the protection of critical technology assets and improves the organization's ability to manage evolving cybersecurity risks.

Project No: 96829857 Privil Sys Session Mgmt Ph 1 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829857** **Privil Sys Session Mgmt Ph 1 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	4,545	4,545	4,545	4,545	4,545
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	13,636	13,636	13,636	13,636	13,636
370: Outside Services	-	-	12,727	12,727	12,727	12,727	12,727
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	97	280	465	668	863
610: Expenses - General	-	-	636	636	636	636	636
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	364	364	364	364	364
914: Pension and Benefits	-	-	1,069	1,069	1,069	1,069	1,069
915: Injuries and Damages	-	-	99	99	99	99	99
921: Stores Load	-	-	446	446	446	446	446
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	33,619	33,802	33,987	34,190	34,385

Project No: **96829857** **Privil Sys Session Mgmt Ph 1 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	4,545	4,545	4,545	36,364
120: Overtime-General	-	-	-	-
350: Material Issues-Major	13,636	13,636	13,636	109,091
370: Outside Services	12,727	12,727	12,727	101,818
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	1,029	1,218	1,410	6,030
610: Expenses - General	636	636	636	5,091
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	364	364	364	2,909
914: Pension and Benefits	1,069	1,069	1,069	8,549
915: Injuries and Damages	99	99	99	789
921: Stores Load	446	446	446	3,565
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	34,551	34,740	34,932	274,206

Project No: 96829857 Privil Sys Session Mgmt Ph 1 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	36,364	4,545	4,545	4,545	50,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	109,091	13,636	13,636	13,636	150,000	-	-	-
370: Outside Services	101,818	12,727	12,727	12,727	140,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	6,030	1,569	1,758	1,990	11,348	-	-	-
610: Expenses - General	5,091	636	636	636	7,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	2,909	364	364	364	4,000	-	-	-
914: Pension and Benefits	8,549	1,069	1,069	1,069	11,755	-	-	-
915: Injuries and Damages	789	99	99	99	1,085	-	-	-
921: Stores Load	3,565	446	446	446	4,902	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(380,090)	(380,090)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	274,206	35,091	35,280	(344,578)	(0)	-	-	-

Project No: 96829857 Privil Sys Session Mgmt Ph 1 2027

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	50,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	150,000
370: Outside Services	-	-	-	-	-	-	140,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	11,348
610: Expenses - General	-	-	-	-	-	-	7,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	4,000
914: Pension and Benefits	-	-	-	-	-	-	11,755
915: Injuries and Damages	-	-	-	-	-	-	1,085
921: Stores Load	-	-	-	-	-	-	4,902
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(380,090)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96829926 Security Video System 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2026

Estimated Completion Date 12/31/2026

Description

The Security Video System project implements prioritized physical security enhancements at PNM headquarters based on recommendations developed through a comprehensive security assessment performed by external physical security specialists. The project focuses on enhancing surveillance, monitoring, recording, and security response capabilities through the deployment of improved security video technologies and supporting infrastructure. This initiative serves as an initial phase of a broader security mitigation effort that will be expanded in subsequent years and is intended to strengthen facility protection, improve situational awareness, and support the safety and security of employees, visitors, and company assets.

Project No: 96829926 Security Video System 2026

Project Need Justification	TXNM recently completed a review of existing physical security controls and facility protection measures with assistance from experienced physical security professionals. This assessment identified opportunities to strengthen surveillance coverage, improve monitoring capabilities, and enhance overall security effectiveness at headquarters facilities. The Security Video System project is needed to implement the highest-priority recommendations and address identified security gaps. Completion of these improvements will help strengthen facility protection, improve incident detection and investigation capabilities, and support the organization's broader physical security strategy.

Project No: **96829926** **Security Video System 2026**

Project Alternatives

Alternative 1) Do nothing and continue operating the existing security video environment without implementing recommended improvements. This approach would leave identified physical security vulnerabilities unaddressed and reduce the organization's ability to leverage modern surveillance technologies and monitoring capabilities.

Alternative 2) Defer implementation until a future security initiative. While delaying improvements may postpone expenditures, it would extend exposure to identified risks and delay the benefits associated with improved monitoring, situational awareness, and facility protection.

Project No: **96829926** **Security Video System 2026**

Project Estimate Approach	Project estimates were established using competitive proposals and budgetary pricing obtained from qualified physical security vendors with expertise in surveillance and monitoring technologies. Cost projections were further informed by property management assessments, facility-specific requirements, and organizational experience implementing similar security improvements across corporate facilities. The estimate reflects anticipated equipment, installation, configuration, and supporting infrastructure costs necessary to implement the recommended security enhancements in a cost-effective and operationally efficient manner.

Project No: **96829926** **Security Video System 2026**

Customer Benefit

Customers benefit from PNM's ability to protect critical facilities, employees, and operational assets that support utility operations. Improved security monitoring and surveillance capabilities help reduce physical security risks, enhance incident response capabilities, and support business continuity efforts. By strengthening protection of facilities that support critical business functions, the project contributes to the reliable operation of services required to support the delivery of safe and dependable electric service.

Project No: **96829926** **Security Video System 2026**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829926** **Security Video System 2026**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining secure facilities and protecting the personnel, assets, and infrastructure that support utility operations. The Security Video System project enhances physical security through improved surveillance, monitoring, and incident awareness capabilities. By addressing prioritized recommendations from physical security assessments and improving the organization's ability to identify, investigate, and respond to potential security events, the project strengthens facility protection and supports a safer, more secure operating environment.

Technology Advancements

Advances in surveillance technology, intelligent analytics, and monitoring capabilities continue to improve the effectiveness of physical security programs. PNM regularly evaluates emerging security technologies to identify solutions that enhance situational awareness, improve incident detection capabilities, and strengthen the protection of facilities and personnel. Modern security video systems provide improved image quality, monitoring functionality, integration capabilities, and analytical tools that enable more effective security operations. By investing in contemporary physical security technologies, PNM enhances its ability to protect critical facilities and infrastructure while supporting a safer, more secure, and operationally efficient environment.

Project No: 96829926 Security Video System 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	2,000	2,000	2,000	2,000	2,000	2,000	12,000
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	41,500	41,500	41,500	41,500	41,500	41,500	249,000
370: Outside Services	-	2,500	2,500	2,500	2,500	2,500	2,500	15,000
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	121	360	600	841	1,074	1,336	4,332
610: Expenses - General	-	-	-	-	-	-	5,630	5,630
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	160	160	160	160	160	160	960
914: Pension and Benefits	-	437	437	437	437	437	437	2,620
915: Injuries and Damages	-	40	40	40	40	40	40	239
921: Stores Load	-	1,780	1,780	1,780	1,780	1,780	1,780	10,677
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(300,457)	(300,457)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	48,537	48,776	49,016	49,257	49,490	(245,075)	(0)

Project No: **96829926** **Security Video System 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	12,000	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	249,000	-	-	-	-	-	-
370: Outside Services	15,000	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	4,332	-	-	-	-	-	-
610: Expenses - General	5,630	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	960	-	-	-	-	-	-
914: Pension and Benefits	2,620	-	-	-	-	-	-
915: Injuries and Damages	239	-	-	-	-	-	-
921: Stores Load	10,677	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(300,457)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	(0)	-	-	-	-	-	-

Project No: 96829926 Security Video System 2026

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	12,000
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	249,000
370: Outside Services	-	-	-	15,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	4,332
610: Expenses - General	-	-	-	5,630
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	960
914: Pension and Benefits	-	-	-	2,620
915: Injuries and Damages	-	-	-	239
921: Stores Load	-	-	-	10,677
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(300,457)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	(0)

Project No: 96829926 Security Video System 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	12,000	-	-	-	12,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	249,000	-	-	-	249,000	-	-	-
370: Outside Services	15,000	-	-	-	15,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	4,332	-	-	-	4,332	-	-	-
610: Expenses - General	5,630	-	-	-	5,630	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	960	-	-	-	960	-	-	-
914: Pension and Benefits	2,620	-	-	-	2,620	-	-	-
915: Injuries and Damages	239	-	-	-	239	-	-	-
921: Stores Load	10,677	-	-	-	10,677	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(300,457)	-	-	-	(300,457)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	(0)	-	-	-	(0)	-	-	-

Project No: **96829926** **Security Video System 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	12,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	249,000
370: Outside Services	-	-	-	-	-	-	15,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	4,332
610: Expenses - General	-	-	-	-	-	-	5,630
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	960
914: Pension and Benefits	-	-	-	-	-	-	2,620
915: Injuries and Damages	-	-	-	-	-	-	239
921: Stores Load	-	-	-	-	-	-	10,677
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(300,457)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96829957 RSM Qualys Portal PCI Scans 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Risk Surface Management (RSM) Qualys Portal PCI Scans 2027 project implements centralized vulnerability management and Payment Card Industry (PCI) compliance scanning through the RSM-managed Qualys platform. The solution provides automated assessment, tracking, and remediation support for security vulnerabilities across systems within the PCI environment. By continuously identifying and prioritizing vulnerabilities, the platform improves visibility into cybersecurity risks and enables timely corrective action to reduce potential exposure. The project supports ongoing PCI compliance requirements, strengthens regulatory and audit readiness, and enhances the organization's ability to protect sensitive information and critical technology assets. This investment improves cybersecurity risk management, reduces manual audit effort, and supports the secure and reliable operation of business systems that support utility operations.

Project No: 96829957 RSM Qualys Portal PCI Scans 2027

Project Need Justification

PNM is required to conduct vulnerability assessments and maintain compliance with Payment Card Industry (PCI) security requirements for systems that process, store, or transmit payment card information. The RSM-managed Qualys platform provides centralized vulnerability scanning, tracking, reporting, and remediation support for systems within the PCI environment. These capabilities enable the organization to identify security weaknesses, prioritize corrective actions, and demonstrate compliance with regulatory and audit requirements. Continued use of the platform is necessary to support ongoing vulnerability management activities, maintain PCI compliance, and reduce cybersecurity risks associated with unpatched or unidentified system vulnerabilities.

The project improves visibility into the security posture of in-scope systems and helps ensure vulnerabilities are identified and addressed in a timely manner. By supporting continuous monitoring and compliance validation, the Qualys platform strengthens cybersecurity risk management, reduces audit preparation efforts, and helps protect critical business systems and sensitive information from potential security threats.

Project No: **96829957** **RSM Qualys Portal PCI Scans 2027**

Project Alternatives

Alternative 1) Do nothing and discontinue the use of the RSM-managed Qualys platform for PCI vulnerability scanning and compliance activities. PNM is required to assess and monitor systems within its PCI environment to identify vulnerabilities and support ongoing compliance obligations. Eliminating automated vulnerability scanning would reduce visibility into security risks, increase the likelihood that vulnerabilities remain undetected, and make it more difficult to demonstrate compliance with PCI requirements and support audit activities.

Alternative 2) Perform vulnerability assessments and PCI compliance activities through manual processes. Manual identification, tracking, reporting, and remediation of vulnerabilities would require significantly more internal resources, increase the potential for human error, and reduce the organization's ability to maintain continuous visibility into the security posture of PCI-related systems. This approach would also increase audit preparation efforts and make it more difficult to consistently manage compliance requirements.

Project No: **96829957** **RSM Qualys Portal PCI Scans 2027**

Project Estimate Approach	Not required for projects with less than $250,000 of expenditures.

Project No: **96829957** **RSM Qualys Portal PCI Scans 2027**

Customer Benefit

Customers benefit from PNM's ability to maintain secure and compliant business systems that support the delivery of utility services. The RSM-managed Qualys platform provides continuous vulnerability assessment and PCI compliance monitoring, enabling the organization to identify and address security weaknesses before they can be exploited. By strengthening cybersecurity controls, supporting regulatory compliance requirements, and reducing the risk of security incidents that could affect critical business systems or sensitive customer information, the project helps maintain the reliability and security of the technology environment that supports customer service and utility operations.

Additionally, the platform improves the efficiency and consistency of vulnerability management and compliance reporting activities, reducing audit effort and helping ensure that security risks are identified and remediated in a timely manner. These capabilities support operational continuity and help PNM provide safe, secure, and reliable electric service to customers.

Project No: **96829957** **RSM Qualys Portal PCI Scans 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829957** **RSM Qualys Portal PCI Scans 2027**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining a secure technology environment and protecting sensitive information from cybersecurity threats. The RSM-managed Qualys platform supports this objective by providing continuous vulnerability assessment, risk visibility, and PCI compliance monitoring across in-scope systems. By identifying security weaknesses, prioritizing remediation activities, and supporting ongoing compliance requirements, the platform helps reduce cybersecurity risks and strengthen the protection of critical business systems and sensitive data. This investment enhances the organization's security posture, supports regulatory compliance obligations, and contributes to the secure and reliable operation of the technology systems that support utility operations and customer service.

Technology Advancements

Technology platforms continue to evolve, requiring organizations to adopt increasingly sophisticated methods for identifying and managing cybersecurity risks. PNM invests in modern vulnerability management and compliance technologies that provide greater visibility into security exposures, automate assessment activities, and support more effective risk mitigation efforts. The RSM Qualys platform enables continuous monitoring and analysis of systems within the PCI environment, helping the organization identify emerging vulnerabilities and respond more proactively to changing security conditions. By leveraging advanced security assessment capabilities, PNM improves its ability to protect critical technology assets, enhance compliance readiness, and strengthen the overall effectiveness of its cybersecurity program.

Project No: 96829957 RSM Qualys Portal PCI Scans 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96829957** **RSM Qualys Portal PCI Scans 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	182	182	182	182	182
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	2,727	2,727	2,727	2,727	2,727
370: Outside Services	-	-	2,727	2,727	2,727	2,727	2,727
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	18	51	85	123	158
610: Expenses - General	-	-	364	364	364	364	364
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	15	15	15	15	15
914: Pension and Benefits	-	-	43	43	43	43	43
915: Injuries and Damages	-	-	4	4	4	4	4
921: Stores Load	-	-	89	89	89	89	89
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	6,168	6,202	6,236	6,273	6,309

Project No: **96829957** **RSM Qualys Portal PCI Scans 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	182	182	182	1,455
120: Overtime-General	-	-	-	-
350: Material Issues-Major	2,727	2,727	2,727	21,818
370: Outside Services	2,727	2,727	2,727	21,818
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	189	223	259	1,106
610: Expenses - General	364	364	364	2,909
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	15	15	15	116
914: Pension and Benefits	43	43	43	342
915: Injuries and Damages	4	4	4	32
921: Stores Load	89	89	89	713
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	6,339	6,374	6,409	50,309

Project No: 96829957 RSM Qualys Portal PCI Scans 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	1,455	182	182	182	2,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	21,818	2,727	2,727	2,727	30,000	-	-	-
370: Outside Services	21,818	2,727	2,727	2,727	30,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,106	288	323	365	2,082	-	-	-
610: Expenses - General	2,909	364	364	364	4,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	116	15	15	15	160	-	-	-
914: Pension and Benefits	342	43	43	43	470	-	-	-
915: Injuries and Damages	32	4	4	4	43	-	-	-
921: Stores Load	713	89	89	89	980	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(69,736)	(69,736)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	50,309	6,438	6,473	(63,221)	(0)	-	-	-

Project No: **96829957** **RSM Qualys Portal PCI Scans 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	2,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	30,000
370: Outside Services	-	-	-	-	-	-	30,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2,082
610: Expenses - General	-	-	-	-	-	-	4,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	160
914: Pension and Benefits	-	-	-	-	-	-	470
915: Injuries and Damages	-	-	-	-	-	-	43
921: Stores Load	-	-	-	-	-	-	980
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(69,736)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96829966 Identity Access Mgmt (IAM) 2026

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The Identity Access Management (IAM) project replaces the existing AlertEnterprise Guardian identity management platform with a modern enterprise Identity and Access Management solution. Identity and Access Management is a foundational cybersecurity capability that ensures users and devices are granted appropriate access to systems, applications, and data based on business needs and security requirements. The new platform will improve the management of user identities and access privileges, enhance integration with enterprise systems, support future role-based access control capabilities, and establish a foundation for Zero Trust security initiatives. Replacing the existing solution reduces risks associated with aging technology, including continued reliance on unsupported components such as Adobe Flash, while improving usability, scalability, and supportability. This investment strengthens cybersecurity protections, supports regulatory compliance, and helps ensure secure, efficient access to the technology systems that support business and utility operations.

Project No: 96829966 Identity Access Mgmt (IAM) 2026

Project Need Justification

PNM's existing identity management platform is approaching technology obsolescence and relies on legacy components that increase operational and cybersecurity risk. Internal project documentation states that the current AlertEnterprise Guardian solution will be replaced with a modern Identity and Access Management (IAM) platform to improve access governance, enhance integration capabilities, and support future role-based access control initiatives. The new solution will provide improved usability, stronger integration with enterprise systems, and establish a foundation for Zero Trust security objectives. Replacement of the existing platform is necessary to maintain secure and effective management of user identities and access privileges, reduce cybersecurity risks associated with aging technology, and support ongoing regulatory and compliance requirements.

The project will also improve the organization's ability to provision, manage, and monitor user access across business applications and technology platforms, helping ensure that users receive appropriate access based on business need while protecting sensitive information from unauthorized access. Continued investment in Identity and Access Management capabilities supports secure business operations and the protection of critical technology systems that enable utility operations.

Project No: **96829966** **Identity Access Mgmt (IAM) 2026**

Project Alternatives

Alternative 1) Continue operating the existing AlertEnterprise Guardian identity management platform. The current solution relies on aging technology components and has limitations related to supportability, scalability, integration capabilities, and long-term vendor support. Continuing to operate the existing platform would increase cybersecurity and operational risks while limiting the organization's ability to improve identity governance and access management capabilities. The legacy platform also presents ongoing lifecycle, compliance, and security concerns.

Alternative 2) Replace the existing platform with a modern Identity and Access Management solution. This approach provides enhanced identity governance capabilities, improved integration with enterprise systems, stronger security controls, improved user and administrator experience, and a foundation for future role-based access control and Zero Trust initiatives. The proposed solution provides the lowest long-term operational and cybersecurity risk while supporting evolving business, compliance, and security requirements.

Project No: **96829966** **Identity Access Mgmt (IAM) 2026**

Project Estimate Approach	Project estimates were developed using vendor-provided implementation proposals, software licensing forecasts, infrastructure requirements, and internal assessments of anticipated deployment activities. Cost assumptions reflect expected professional services, integration efforts, configuration activities, testing, and organizational readiness requirements associated with implementing the Identity and Access Management solution. The estimate also incorporates knowledge gained from comparable identity governance programs, market evaluations of leading IAM platforms, and internal experience managing enterprise security technologies. This approach provides a reasonable forecast of the resources necessary to implement and sustain the planned capabilities.

Project No: **96829966** **Identity Access Mgmt (IAM) 2026**

Customer Benefit

Customers benefit from PNM's ability to protect the technology systems and information assets that support utility operations. The Identity and Access Management (IAM) project enhances the organization's ability to ensure that users receive appropriate access to systems, applications, and data based on business need while reducing the risk of unauthorized access. By strengthening access controls, improving identity governance processes, and supporting regulatory compliance requirements, the project helps protect critical business and operational systems from cybersecurity threats. These improvements support the reliability and security of the technology environment that enables PNM to provide safe and reliable electric service to customers.

Project No: **96829966** **Identity Access Mgmt (IAM) 2026**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **96829966** **Identity Access Mgmt (IAM) 2026**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on protecting critical technology systems, applications, and sensitive information from unauthorized access. Identity and Access Management (IAM) is a foundational cybersecurity capability that ensures users are granted appropriate access to systems and data based on business need while maintaining appropriate security controls. The IAM project enhances the organization's ability to manage identities, govern user access, support future role-based access control capabilities, and establish a foundation for Zero Trust security initiatives. By improving access controls, reducing cybersecurity risks, and supporting regulatory compliance requirements, the project strengthens the security and resilience of the technology environment that supports business and utility operations.

Technology Advancements

PNM continues to modernize the technologies used to secure access to critical business applications, systems, and information. As identity-based threats become more sophisticated and the number of connected systems continues to grow, modern Identity and Access Management capabilities are increasingly important for maintaining effective security controls and operational efficiency. By implementing advanced identity governance, access management, and authentication technologies, the organization improves its ability to manage user access, streamline administrative processes, and support evolving cybersecurity requirements. These investments help position PNM to leverage modern security technologies while maintaining a secure, scalable, and supportable technology environment.

Project No: 96829966 Identity Access Mgmt (IAM) 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	153,533	8,333	8,333	8,333	8,333	8,333	8,333	203,533
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	116,667	116,667	116,667	116,667	116,667	100,000	683,333
370: Outside Services	265,701	16,667	16,667	16,667	16,667	16,667	16,667	365,701
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	21,428	9,734	10,428	11,210	11,975	12,656	13,478	90,909
610: Expenses - General	1,403,072	-	-	-	-	-	-	1,403,072
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	12,283	667	667	667	667	667	667	16,283
914: Pension and Benefits	33,516	1,819	1,819	1,819	1,819	1,819	1,819	44,431
915: Injuries and Damages	3,055	166	166	166	166	166	166	4,050
921: Stores Load	4,318	5,003	5,003	5,003	5,003	5,003	4,288	33,619
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(2,823,503)	(2,823,503)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	1,896,905	159,055	159,749	160,531	161,296	161,977	(2,678,085)	21,428

Project No: **96829966** **Identity Access Mgmt (IAM) 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	203,533	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	683,333	-	-	-	-	-	-
370: Outside Services	365,701	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	90,909	-	-	-	-	-	-
610: Expenses - General	1,403,072	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	16,283	-	-	-	-	-	-
914: Pension and Benefits	44,431	-	-	-	-	-	-
915: Injuries and Damages	4,050	-	-	-	-	-	-
921: Stores Load	33,619	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(2,823,503)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	21,428	-	-	-	-	-	-

Project No: **96829966** **Identity Access Mgmt (IAM) 2026**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	203,533
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	683,333
370: Outside Services	-	-	-	365,701
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	90,909
610: Expenses - General	-	-	-	1,403,072
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	16,283
914: Pension and Benefits	-	-	-	44,431
915: Injuries and Damages	-	-	-	4,050
921: Stores Load	-	-	-	33,619
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(2,823,503)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	21,428

Project No: 96829966 Identity Access Mgmt (IAM) 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	203,533	-	-	-	203,533	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	683,333	-	-	-	683,333	-	-	-
370: Outside Services	365,701	-	-	-	365,701	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	90,909	-	-	-	90,909	-	-	-
610: Expenses - General	1,403,072	-	-	-	1,403,072	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	16,283	-	-	-	16,283	-	-	-
914: Pension and Benefits	44,431	-	-	-	44,431	-	-	-
915: Injuries and Damages	4,050	-	-	-	4,050	-	-	-
921: Stores Load	33,619	-	-	-	33,619	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(2,823,503)	-	-	-	(2,823,503)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	21,428	-	-	-	21,428	-	-	-

Project No: **96829966** **Identity Access Mgmt (IAM) 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	203,533
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	683,333
370: Outside Services	-	-	-	-	-	-	365,701
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	90,909
610: Expenses - General	-	-	-	-	-	-	1,403,072
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	16,283
914: Pension and Benefits	-	-	-	-	-	-	44,431
915: Injuries and Damages	-	-	-	-	-	-	4,050
921: Stores Load	-	-	-	-	-	-	33,619
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(2,823,503)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	21,428

Project No: 96830526 Data Center Cooling Towers Repl

Company:	007	PNMR Services Company
Location:	968	Corp Alloc-IT Infrastructure

Project Information

County %	Bernalillo	100%	

Estimated Start Date 5/1/2026

Estimated Completion Date 10/31/2026

Description

The Data Center Cooling Towers Replacement project is a required refresh of critical HVAC equipment at the Aztec Rd facility in Albuquerque. The cooling towers were new components to the data center when it was built in 2005 and are at end of reliable life. The cooling towers are vital to PNM's operation as they conserve HVAC water use and are also the first step in lowering water temperature before it enters the air conditioning chiller and eventually the advanced Computer Room Air Conditioning (CRAC) units that super-cool air to keep high performance computing equipment operating within safe limits.

Project No: 96830526 Data Center Cooling Towers Repl

Project Need Justification

The Aztec Data Center cooling towers were installed when the facility was constructed in 2005 and have reached the end of their reliable service life. These cooling towers are a critical component of the facility's HVAC infrastructure, providing the initial stage of heat removal necessary to support the chillers and Computer Room Air Conditioning (CRAC) systems that maintain safe operating temperatures for data center equipment. As the equipment ages, the risk of mechanical failure, reduced cooling capacity, increased maintenance requirements, and unplanned outages continues to increase. Failure of the cooling towers could compromise the ability to maintain required environmental conditions for servers, storage systems, network equipment, and other critical technology assets that operate continuously to support utility operations. Prolonged cooling system failures could result in equipment overheating, system outages, accelerated hardware degradation, emergency repair costs, and disruption of business and operational systems that support the reliable delivery of electric service. Replacing the cooling towers is necessary to maintain a reliable, supportable, and resilient data center environment.

Project No: **96830526** **Data Center Cooling Towers Repl**

Project Alternatives

The only alternative to replacing the data center cooling towers would be to defer; but that would greatly increase the risk of a potentially catastrophic overall HVAC failure that could ruin very expensive equipment that must run at all times to ensure safe and reliable operations.

Project No: **96830526** **Data Center Cooling Towers Repl**

Project Estimate Approach	Project cost estimates have been derived from bids received from several qualified expert vendors and managed by experienced facilities staff at PNM, combined with suitable internal costs recognized from previous similar construction efforts.

Project No: **96830526** **Data Center Cooling Towers Repl**

Customer Benefit	Customers primarily benefit from the Cooling Towers Replacement project by being assured PNM is managing its facilities wisely and safely, which helps ensure power is delivered as expected.

Project No: 96830526 Data Center Cooling Towers Repl

Primary Value Driver	Reliability & Resiliency
Compliance	
Customer Delivery	Customers expect PNM to deliver power safely and reliably which is entirely dependent on PNM maintaining computer equipment in a suitable environment where the risk of failure is greatly reduced. Customers in New Mexico also benefit from wise, conscientious water use by PNM.
Energy Transition	

Project No: 96830526 Data Center Cooling Towers Repl

General Services

Modern high-performance computer systems require specific and exacting environmental standards to help ensure they run at peak efficiency and with minimal risk of breakdown. Data centers require specially designed cooling systems to evacuate very hot air produced by high-powered systems and to return super chilled air produced efficiently through the use of cooling towers. Those systems have somewhat limited lifespans and are due for replacement after twenty years.

Reliability & Resiliency

Customers expect PNM to deliver power safely and reliably which is entirely dependent on PNM maintaining computer equipment in a suitable environment where the risk of failure is greatly reduced.

Safety & Security

Technology Advancements

Project No: 96830526 Data Center Cooling Towers Repl

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	194,626	302,884	-	-	497,510
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	481	1,708	-	-	2,189
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	(499,699)	-	-	(499,699)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	195,107	(195,107)	-	-	-

Project No: **96830526** **Data Center Cooling Towers Repl**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	497,510	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	2,189	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(499,699)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96830526** **Data Center Cooling Towers Repl**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	497,510
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	2,189
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(499,699)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96830526 Data Center Cooling Towers Repl

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	497,510	-	-	-	497,510	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,189	-	-	-	2,189	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(499,699)	-	-	-	(499,699)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96830526** **Data Center Cooling Towers Repl**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	497,510
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2,189
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(499,699)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 96831007 Gen Svcs Maint Blankt - Data Center

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2027

Estimated Completion Date 12/31/2033

Description

The Gen Svcs Maint Blanket – Data Center project provides funding for facility maintenance, repair, and infrastructure improvement activities required to support the reliable operation of PNM's data center environments. Projects may include heating, ventilation, and air conditioning (HVAC) systems, cooling infrastructure, backup power equipment, pumps, electrical distribution systems, fire suppression systems, environmental monitoring equipment, physical security enhancements, facility repairs, and other building-related infrastructure improvements necessary to maintain data center operations. Individual maintenance and improvement efforts are evaluated and prioritized as needs arise to ensure safe, reliable, and efficient operation of facilities that support critical technology systems and business operations. Similar General Services blanket maintenance programs rely upon equipment evaluations, engineering recommendations, and subject matter expertise to identify the most appropriate remediation and infrastructure improvement solutions.

Project No: 96831007 Gen Svcs Maint Blankt - Data Center

Project Need Justification

PNM relies on its data center facilities to support critical business applications, cybersecurity systems, communications infrastructure, and operational technology environments. The building systems that support these facilities require ongoing maintenance, repair, and periodic replacement to maintain acceptable operating conditions and prevent failures that could impact critical technology services. The Gen Svcs Maint Blanket – Data Center project provides funding for planned and emergent maintenance activities necessary to maintain environmental controls, power reliability, facility safety, and overall data center resiliency. Timely maintenance and infrastructure improvements help reduce the risk of equipment failures, service disruptions, and more costly emergency repairs while supporting the continued operation of critical technology assets.

Project No: **96831007** **Gen Svcs Maint Blankt - Data Center**

Project Alternatives

Alternative 1) Do nothing and defer maintenance and facility improvement activities. This approach increases the likelihood of equipment failures, degraded environmental conditions, reduced facility reliability, and the potential for disruptions to data center operations. Delaying maintenance activities may also increase future repair costs and operational risks.

Alternative 2) Perform only emergency repairs as issues arise. While this approach may defer some expenditures in the short term, it does not provide a proactive strategy for maintaining critical data center infrastructure and may result in higher overall costs, increased downtime risk, and reduced operational reliability.

Project No: 96831007 Gen Svcs Maint Blankt - Data Center

Project Estimate Approach	Project cost estimates are developed using historical maintenance and facility improvement expenditures, vendor budgetary quotations, engineering assessments, and internal subject matter expertise. Individual maintenance and replacement activities are evaluated as needs arise to determine the most effective course of action from a cost, operational, safety, and reliability perspective. External engineering, contractor, and specialized facility expertise may be utilized when appropriate to validate scope, estimate costs, and support implementation planning. This approach is consistent with General Services maintenance blanket projects documented in prior rate case filings

Project No: **96831007** **Gen Svcs Maint Blankt - Data Center**

Customer Benefit

Customers benefit from PNM's ability to maintain reliable technology infrastructure that supports utility operations, customer service, business continuity, and cybersecurity functions. The Gen Svcs Maint Blanket – Data Center project helps ensure that the facilities supporting critical technology systems remain safe, reliable, and operational. By proactively maintaining data center infrastructure and reducing the potential for facility-related outages, the project supports the availability and resiliency of the systems required to provide safe and reliable electric service.

Project No: **96831007** **Gen Svcs Maint Blankt - Data Center**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 96831007 Gen Svcs Maint Blankt - Data Center

General Services

PNM's ability to provide safe and reliable electric service depends on maintaining resilient facilities that support critical technology and business systems. The Gen Svcs Maint Blanket – Data Center project improves facility reliability through ongoing maintenance, repair, and replacement of essential infrastructure components. Investments in cooling, power, environmental controls, physical security, and facility support systems help minimize operational disruptions, maintain acceptable operating conditions, and strengthen the resilience of the technology environments that support utility operations. Similar General Services projects emphasize maintaining building assets, reliability, resiliency, and acceptable operating conditions

Reliability & Resiliency

Safety & Security

Technology Advancements

Project No: 96831007 Gen Svcs Maint Blankt - Data Center

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96831007** **Gen Svcs Maint Blankt - Data Center**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	125,000	-	-	125,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	348	-	-	354
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(125,348)	-	-	(125,354)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **96831007** **Gen Svcs Maint Blankt - Data Center**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	125,000	375,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	344	1,046
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	(125,344)	(376,046)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 96831007 Gen Svcs Maint Blankt - Data Center

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	375,000	-	-	123,614	498,614	-	-	125,000
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	1,046	-	-	340	1,387	-	-	333
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(376,046)	-	-	(123,954)	(500,000)	-	-	(125,333)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96831007** **Gen Svcs Maint Blankt - Data Center**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	125,000	-	-	125,000	873,614
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	325	-	-	333	2,378
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	(125,325)	-	-	(125,333)	(875,992)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	(0)

Project No: 96834157 DC Server HW Ref 2027

Company: 007 PNMR Services Company
Location: 968 Corp Alloc-IT Infrastructure

Project Information

County % Bernalillo 100%

Estimated Start Date 3/1/2027

Estimated Completion Date 10/31/2027

Description

The Datacenter Server Hardware Refresh project replaces aging compute hardware used to support virtualization, infrastructure services, cybersecurity tools, and disaster recovery functions within the company's data center environment. The project establishes a smaller number of standardized server configurations with current vendor support coverage, improved performance, and sufficient capacity to meet current and anticipated business needs. Refreshing aging hardware improves system reliability, maintainability, and energy efficiency while reducing the operational risks associated with unsupported equipment, increasing hardware failure rates, and inconsistent server generations. This investment helps ensure the continued availability and performance of critical technology services that support business operations and the delivery of reliable electric service.

Project No: 96834157 DC Server HW Ref 2027

Project Need Justification

PNM relies on datacenter compute infrastructure to support virtualization platforms, infrastructure services, cybersecurity tools, business applications, and disaster recovery capabilities that are essential to daily operations. As server hardware ages, the risk of equipment failure, degraded performance, reduced vendor support, and increased maintenance requirements grows, potentially impacting the reliability and availability of critical technology services. The Datacenter Server Hardware Refresh project replaces aging equipment with current-generation hardware that provides improved performance, increased capacity, standardized configurations, and continued vendor support. This investment is necessary to maintain a reliable and supportable technology environment, reduce operational risk, and ensure the continued availability of systems that support business operations and the delivery of reliable electric service.

Project No: **96834157** **DC Server HW Ref 2027**

Project Alternatives

Alternative 1) Do nothing and defer replacement of the aging datacenter server hardware. PNM's datacenter environment supports virtualization platforms, infrastructure services, cybersecurity tools, business applications, and disaster recovery capabilities that are critical to daily operations. Continuing to operate aging hardware increases the risk of equipment failures, performance degradation, limited vendor support, and extended recovery times in the event of hardware issues. Deferring the refresh would also increase operational risks associated with maintaining unsupported or end-of-life infrastructure.

Alternative 2) Continue operating the existing environment through incremental repairs and component replacements. While this approach may defer capital expenditures in the short term, it would not address the underlying challenges associated with aging server generations, inconsistent hardware configurations, capacity limitations, and expiring vendor support. Ongoing maintenance of older hardware typically results in higher operational costs, increased complexity, and a greater likelihood of service disruptions compared to a planned technology refresh.

Alternative 3) Migrate applicable workloads to a cloud-based infrastructure solution. PNM continuously evaluates technology alternatives to ensure they meet operational, security, performance, and cost requirements. While cloud services may be appropriate for certain applications, a full migration of datacenter-hosted workloads would require significant planning, application redesign, data migration, security reviews, and ongoing subscription costs. At this time, refreshing existing datacenter hardware provides the most cost-effective and lowest-risk approach for maintaining reliable, secure, and supported infrastructure for critical business and utility operations.

Project No: **96834157** **DC Server HW Ref 2027**

Project Estimate Approach	Not required for projects with less than $250,000 of expenditures.

Project No: **96834157** **DC Server HW Ref 2027**

Customer Benefit

Customers benefit from PNM's ability to maintain reliable and resilient technology infrastructure that supports critical business and utility operations. The Datacenter Server Hardware Refresh project replaces aging server equipment with current-generation hardware that provides improved reliability, performance, and vendor support. By reducing the risk of hardware failures, minimizing unplanned outages, and ensuring sufficient capacity to support essential business systems, the project helps maintain the availability of technology services that support the delivery of safe and reliable electric service. Additionally, newer hardware improves operational efficiency and energy performance, helping PNM manage technology resources in a cost-effective manner.

Project No: **96834157** **DC Server HW Ref 2027**

Primary Value Driver Reliability & Resiliency

Compliance

Customer Delivery

Energy Transition

Project No: **96834157** **DC Server HW Ref 2027**

General Services

Reliability & Resiliency

PNM's ability to provide safe and reliable electric service depends on the availability and performance of the technology infrastructure that supports business operations, cybersecurity functions, and critical utility systems. The Datacenter Server Hardware Refresh project improves the reliability, supportability, and efficiency of the company's computing environment by replacing aging server hardware with current-generation equipment. Standardizing server configurations and maintaining vendor-supported infrastructure reduces operational risk, minimizes the likelihood of hardware-related service disruptions, and improves the organization's ability to support critical applications and recovery processes. This investment helps ensure the continued reliability and resilience of technology services that support the safe, efficient, and reliable delivery of electric service to customers.

Safety & Security

Technology Advancements

Project No: 96834157 DC Server HW Ref 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **96834157** **DC Server HW Ref 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	1,250	1,250	1,250	1,250
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	14,375	14,375	14,375	14,375
370: Outside Services	-	-	-	7,500	7,500	7,500	7,500
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	68	203	347	489
610: Expenses - General	-	-	-	449	449	449	449
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	100	100	100	100
914: Pension and Benefits	-	-	-	294	294	294	294
915: Injuries and Damages	-	-	-	27	27	27	27
921: Stores Load	-	-	-	470	470	470	470
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	24,532	24,668	24,812	24,953

Project No: 96834157 DC Server HW Ref 2027

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	1,250	1,250	1,250	8,750
120: Overtime-General	-	-	-	-
350: Material Issues-Major	14,375	14,375	14,375	100,625
370: Outside Services	7,500	7,500	7,500	52,500
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	612	750	889	3,359
610: Expenses - General	449	449	449	3,140
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	100	100	100	700
914: Pension and Benefits	294	294	294	2,057
915: Injuries and Damages	27	27	27	190
921: Stores Load	470	470	470	3,288
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	25,077	25,214	25,353	174,609

Project No: 96834157 DC Server HW Ref 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	8,750	1,250	-	-	10,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	100,625	14,375	-	-	115,000	-	-	-
370: Outside Services	52,500	7,500	-	-	60,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	3,359	1,008	-	-	4,366	-	-	-
610: Expenses - General	3,140	449	-	-	3,588	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	700	100	-	-	800	-	-	-
914: Pension and Benefits	2,057	294	-	-	2,351	-	-	-
915: Injuries and Damages	190	27	-	-	217	-	-	-
921: Stores Load	3,288	470	-	-	3,758	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	(200,080)	-	-	(200,080)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	174,609	(174,609)	-	-	-	-	-	-

Project No: **96834157** **DC Server HW Ref 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	10,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	115,000
370: Outside Services	-	-	-	-	-	-	60,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	4,366
610: Expenses - General	-	-	-	-	-	-	3,588
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	800
914: Pension and Benefits	-	-	-	-	-	-	2,351
915: Injuries and Damages	-	-	-	-	-	-	217
921: Stores Load	-	-	-	-	-	-	3,758
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(200,080)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 97130526 TXNM Farmington Office

Company:	007	PNMR Services Company
Location:	971	Corp Alloc-Bldg Farmington

Project Information

County %	San Juan	100%	

Estimated Start Date 2/19/2026

Estimated Completion Date 12/31/2026

Description

Purchasing a facility that will support the needed space for employee office/cubicles, storage for field testing equipment and materials, and secure parking for fleet vehicles, trailers, and other outdoor equipment. There will be some technology improvements needed with telecommunications, corporate and physical security (card readers and cameras),and moving physical equipment and phones over to the new location.

Project No: 97130526 TXNM Farmington Office

Project Need Justification	San Juan Administration building was demolished in 2025, which displaced several remaining employees. This building, located in Farmington, NM, will house staff from the the San Juan Generating Station Administrative building, San Juan Switchyard and eventually other staff from other PNM locations, as well as hoteling space for employees from other areas that perform occasional work in the area.

Project No: **97130526** **TXNM Farmington Office**

Project Alternatives

The alternative is to identify an alternate location. However, multiple properties were identified and evaluated, and the selected property was determined to best meet PNM's needs.

Project No: **97130526** **TXNM Farmington Office**

Project Estimate Approach	Project costs were determined by obtaining quotes for multiple contractors.

Project No: **97130526** **TXNM Farmington Office**

Customer Benefit	Ensuring that PNM personnel have access to safe and secure buildings that meet their operational needs is vital. This provision allows them to concentrate fully on their primary mission, which is to provide reliable and efficient service to customers. When employees work in facilities that are well-maintained and tailored to their requirements, it enhances their ability to perform tasks effectively. Additionally, a safe working environment not only boosts morale but also fosters a sense of responsibility and care among employees. Ultimately, this focus supports the overall goal of delivering high-quality service, ensuring that customers receive the best experience possible.

Project No: **97130526** **TXNM Farmington Office**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **97130526** **TXNM Farmington Office**

General Services

This project is a facility investment for our northern New Mexico operations.

Reliability & Resiliency

Safety & Security

Technology Advancements

Project No: 97130526 TXNM Farmington Office

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	1,822	-	-	-	-	-	-	1,822
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	901,974	-	667,540	-	531,401	531,501	-	2,632,417
374: Outside Services Legal	13,510	-	-	-	-	-	-	13,510
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,550	4,596	1,650	-	1,310	3,901	-	14,007
610: Expenses - General	238	-	-	-	-	-	-	238
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	146	-	-	-	-	-	-	146
914: Pension and Benefits	398	-	-	-	-	-	-	398
915: Injuries and Damages	36	-	-	-	-	-	-	36
921: Stores Load	2,722	-	-	-	-	-	-	2,722
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	(925,442)	(669,190)	-	-	(1,068,113)	-	(2,662,745)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	923,396	(920,846)	0	-	532,711	(532,711)	-	2,550

Project No: **97130526** **TXNM Farmington Office**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	1,822	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	2,632,417	-	-	-	-	-	-
374: Outside Services Legal	13,510	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	14,007	-	-	-	-	-	-
610: Expenses - General	238	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	146	-	-	-	-	-	-
914: Pension and Benefits	398	-	-	-	-	-	-
915: Injuries and Damages	36	-	-	-	-	-	-
921: Stores Load	2,722	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(2,662,745)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	2,550	-	-	-	-	-	-

Project No: 97130526 TXNM Farmington Office

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	1,822
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	2,632,417
374: Outside Services Legal	-	-	-	13,510
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	14,007
610: Expenses - General	-	-	-	238
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	146
914: Pension and Benefits	-	-	-	398
915: Injuries and Damages	-	-	-	36
921: Stores Load	-	-	-	2,722
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(2,662,745)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	2,550

Project No: 97130526 TXNM Farmington Office

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	1,822	-	-	-	1,822	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	2,632,417	-	-	-	2,632,417	-	-	-
374: Outside Services Legal	13,510	-	-	-	13,510	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	14,007	-	-	-	14,007	-	-	-
610: Expenses - General	238	-	-	-	238	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	146	-	-	-	146	-	-	-
914: Pension and Benefits	398	-	-	-	398	-	-	-
915: Injuries and Damages	36	-	-	-	36	-	-	-
921: Stores Load	2,722	-	-	-	2,722	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(2,662,745)	-	-	-	(2,662,745)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	2,550	-	-	-	2,550	-	-	-

Project No: **97130526** **TXNM Farmington Office**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	1,822
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	2,632,417
374: Outside Services Legal	-	-	-	-	-	-	13,510
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	14,007
610: Expenses - General	-	-	-	-	-	-	238
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	146
914: Pension and Benefits	-	-	-	-	-	-	398
915: Injuries and Damages	-	-	-	-	-	-	36
921: Stores Load	-	-	-	-	-	-	2,722
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(2,662,745)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	2,550

Project No: 97131007 Gen Svcs Maint Blanket - Farmington

Company: 007 PNMR Services Company
Location: 971 Corp Alloc-Bldg Farmington

Project Information

County % San Juan 100%

Estimated Start Date 1/1/2027

Estimated Completion Date 12/31/2033

Description

This project covers the allocated funds for the General Services organization to support the Farmington, New Mexico Operations facility improvement initiatives. Projects may include the routine maintenance, upgrade, and/or replacement of items such as heating, ventilation, and air conditioning (HVAC) systems, pumps, compressors, interior/exterior remodels, office furnishings, general equipment replacements, and infrastructure improvements (e.g., roofs, etc.) as needs are identified. General Services and Building Maintenance personnel will coordinate efforts with Farmington, New Mexico Operations personnel to prioritize and respond to requests.

Project No: 97131007 Gen Svcs Maint Blanket - Farmington

Project Need Justification

This project is needed to repair and replace equipment in PNM's Farmington facility. These repairs ensure a safe environment for PNM personnel and reduce the risk of catastrophic equipment failures that could impact the ability to use these spaces and require more costly repairs. Individual project funding requirements are appropriately reviewed with internal/external subject matter experts as situations arise to determine the best course of action for safe and economic problem resolution. Use of architectural and engineering professionals are often consulted to provide input and/or recommendations to help drive decisions for remediation and compliance.

Project No: **97131007** **Gen Svcs Maint Blanket - Farmington**

Project Alternatives

If blanket capital funding is unavailable, building repairs will be prioritized and funded through the Operations & Maintenance (O&M) budget, or individual projects specific to capital requests. Using O&M to fund major building repairs places additional pressure on operational budgets and reduces funds available for normal maintenance and service delivery.

Project No: **97131007** **Gen Svcs Maint Blanket - Farmington**

Project Estimate Approach	Project costs were estimated based on similar work performed in the past. Individual pieces of equipment repaired/replaced as part of this project are evaluated by internal subject matter experts to determine how best to proceed with recommended solutions, including whether outside expertise (e.g., engineering and contractor support) is needed for cost, safety and operational efficiencies.

Project No: **97131007** **Gen Svcs Maint Blanket - Farmington**

Customer Benefit

Ensuring that PNM personnel have access to safe and secure buildings that meet their operational needs is vital. This provision allows them to concentrate fully on their primary mission, which is to provide reliable and efficient service to customers. When employees work in facilities that are well-maintained and tailored to their requirements, it enhances their ability to perform tasks effectively. Additionally, a safe working environment not only boosts morale but also fosters a sense of responsibility and care among employees. Ultimately, this focus supports the overall goal of delivering high-quality service, ensuring that customers receive the best experience possible.

Project No: **97131007** **Gen Svcs Maint Blanket - Farmington**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 97131007 Gen Svcs Maint Blanket - Farmington

General Services	Specific facility improvements funded by the project often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues. They also help ensure buildings are properly maintained and working conditions remain acceptable.
Reliability & Resiliency	
Safety & Security	Specific facility improvements funded by the project often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues. These investments all address any identified safety/security concerns.
Technology Advancements	

Project No: 97131007 Gen Svcs Maint Blanket - Farmington

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **97131007** **Gen Svcs Maint Blanket - Farmington**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **97131007** **Gen Svcs Maint Blanket - Farmington**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 97131007 Gen Svcs Maint Blanket - Farmington

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	49,863	49,863	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	137	137	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(50,000)	(50,000)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **97131007** **Gen Svcs Maint Blanket - Farmington**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	49,863
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	137
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(50,000)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 97230725 Masthead HVAC RTU Replacement

Company:	007	PNMR Services Company
Location:	972	Corp Alloc-Bldg Masthead

Project Information

County %	Bernalillo	100%	

Estimated Start Date 1/1/2025

Estimated Completion Date 7/31/2026

Description

Current Rooftop Units (RTU) are original to the building which are 20 years old. This project will entail removing and replacing 53 RTU's and Split Systems with new modernized units, increasing efficiencies and comfort for building occupants.

Project No: 97230725 Masthead HVAC RTU Replacement

Project Need Justification	This project is necessary for updating the aging mechanical systems of the Masthead facility which serves PNM personnel and various tenants. The average useful life of these systems is 10 to 15 years, and they are past that stage. Maintenance is becoming more frequent and the systems are becoming less reliable, particularly during extreme temperatures which have been experienced in recent years.

Project No: **97230725** **Masthead HVAC RTU Replacement**

Project Alternatives

The only alternative is to do nothing and continue to evaluate and repair when situations arise. This is not ideal for the occupants of this building which causes disruptions to their operations and unsatisfactory working conditions. Also, since the units are older, energy use is not as efficient as it should be.

Project No: **97230725** **Masthead HVAC RTU Replacement**

Project Estimate Approach	Multiple contractor bids have been obtained for funding guidance. Pricing will be refreshed prior to contract award.

Project No: **97230725** **Masthead HVAC RTU Replacement**

Customer Benefit

The Masthead facility houses multiple New Mexico Operations personnel and contractors that support numerous services, including engineering and electric service-related efforts for customers. Providing a safe and efficient office environment to work from enables those services to continue uninterrupted.

Project No: **97230725** **Masthead HVAC RTU Replacement**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 97230725 Masthead HVAC RTU Replacement

General Services

Investments for enhancing and expanding facilities, equipment, vehicles, and tools. These investments often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues, as well as maintaining building assets and acceptable operating conditions

Reliability & Resiliency

Safety & Security

Technology Advancements

Project No: 97230725 Masthead HVAC RTU Replacement

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	1,249,540	-	-	-	-	-	-	1,249,540
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	11,094	-	-	-	-	-	-	11,094
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	3,446	-	-	-	-	-	-	3,446
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,176,371)	5,695	-	-	-	-	-	(1,170,676)
825: Closing Cost of Removal	-	(87,709)	-	-	-	-	-	(87,709)
Project Net	87,709	(82,014)	-	-	-	-	-	5,695

Project No: **97230725** **Masthead HVAC RTU Replacement**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	1,249,540	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	11,094	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	3,446	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,170,676)	-	-	-	-	-	-
825: Closing Cost of Removal	(87,709)	-	-	-	-	-	-
Project Net	5,695	-	-	-	-	-	-

Project No: **97230725** **Masthead HVAC RTU Replacement**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	1,249,540
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	11,094
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	3,446
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,170,676)
825: Closing Cost of Removal	-	-	-	(87,709)
Project Net	-	-	-	5,695

Project No: 97230725 Masthead HVAC RTU Replacement

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	1,249,540	-	-	-	1,249,540	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	11,094	-	-	-	11,094	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	3,446	-	-	-	3,446	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,170,676)	-	-	-	(1,170,676)	-	-	-
825: Closing Cost of Removal	(87,709)	-	-	-	(87,709)	-	-	-
Project Net	5,695	-	-	-	5,695	-	-	-

Project No: **97230725** **Masthead HVAC RTU Replacement**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	1,249,540
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	11,094
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	3,446
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,170,676)
825: Closing Cost of Removal	-	-	-	-	-	-	(87,709)
Project Net	-	-	-	-	-	-	5,695

Project No: **97231007** **Gen Svcs Maint Blanket- Masthead**

Company: 007 PNMR Services Company
Location: 972 Corp Alloc-Bldg Masthead

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2027

Estimated Completion Date 12/31/2033

Description

This project covers the allocated funds for the General Services organization to support PNM's Masthead facility improvement initiatives. Projects may include the routine maintenance, upgrade, and/or replacement of items such as heating, ventilation, and air conditioning (HVAC) systems, pumps, compressors, interior/exterior remodels, office furnishings, general equipment replacements, and infrastructure improvements (e.g.,, roofs, etc.) as needs are identified. General Services and Building Maintenance personnel will coordinate efforts with Masthead's Operations personnel to prioritize and respond to requests.

Project No: 97231007 Gen Svcs Maint Blanket- Masthead

Project Need Justification

This project is needed to repair and replace equipment in PNM's Masthead facility. These repairs ensure a safe environment for PNM personnel and reduce the risk of catastrophic equipment failures that could impact the ability to use these spaces and require more costly repairs. Individual project funding requirements are appropriately reviewed with internal/external subject matter experts as situations arise to determine the best course of action for safe and economic problem resolution. Use of architectural and engineering professionals are often consulted to provide input and/or recommendations to help drive decisions for remediation and compliance.

Project No: 97231007 Gen Svcs Maint Blanket- Masthead

Project Alternatives

If blanket capital funding is unavailable, building repairs will be prioritized and funded through the Operations & Maintenance (O&M) budget, or individual projects specific to capital requests. Using O&M to fund major building repairs places additional pressure on operational budgets and reduces funds available for normal maintenance and service delivery.

Project No: **97231007** **Gen Svcs Maint Blanket- Masthead**

Project Estimate Approach	Project costs were estimated based on similar work performed in the past. Individual pieces of equipment repaired/replaced as part of this project are evaluated by internal subject matter experts to determine how best to proceed with recommended solutions, including whether outside expertise (e.g., engineering and contractor support) is needed for cost, safety and operational efficiencies.

Project No: **97231007** **Gen Svcs Maint Blanket- Masthead**

Customer Benefit

Ensuring that PNM personnel have access to safe and secure buildings that meet their operational needs is vital. This provision allows them to concentrate fully on their primary mission, which is to provide reliable and efficient service to customers. When employees work in facilities that are well-maintained and tailored to their requirements, it enhances their ability to perform tasks effectively. Additionally, a safe working environment not only boosts morale but also fosters a sense of responsibility and care among employees. Ultimately, this focus supports the overall goal of delivering high-quality service, ensuring that customers receive the best experience possible.

Project No: **97231007** **Gen Svcs Maint Blanket- Masthead**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 97231007 Gen Svcs Maint Blanket- Masthead

General Services	Specific facility improvements funded by the project often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues. They also help ensure buildings are properly maintained and working conditions remain acceptable.
Reliability & Resiliency	
Safety & Security	Specific facility improvements funded by the project often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues. These investments all address any identified safety/security concerns.
Technology Advancements	

Project No: 97231007 Gen Svcs Maint Blanket- Masthead

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **97231007** **Gen Svcs Maint Blanket- Masthead**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **97231007** **Gen Svcs Maint Blanket- Masthead**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 97231007 Gen Svcs Maint Blanket- Masthead

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	49,863	49,863	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	137	137	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(50,000)	(50,000)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **97231007** **Gen Svcs Maint Blanket- Masthead**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	49,863
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	137
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(50,000)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 97728026 Phys Sec New Cap Prog 2026

Company: 007 PNMR Services Company
Location: 977 Corp Alloc-Bldg-Headquarters

Project Information

County % Bernalillo 100%

Estimated Start Date 1/1/2026

Estimated Completion Date 12/31/2026

Description

The Physical Security New Capabilities Program 2026 provides funding for small- to medium-scale physical security enhancement projects that improve the protection of company facilities, personnel, and critical infrastructure. The program enables the evaluation, acquisition, and deployment of new security technologies and monitoring capabilities that strengthen the effectiveness of Corporate Security operations. Projects may include intelligent video analytics, advanced surveillance systems, enhanced monitoring capabilities, access control improvements, and other technologies that improve situational awareness, operational efficiency, and facility protection.

Project No: 97728026 Phys Sec New Cap Prog 2026

Project Need Justification

PNM's physical security environment continues to evolve as new risks, business requirements, and technology capabilities emerge. The Physical Security New Capabilities Program provides a mechanism to fund unplanned or emerging opportunities to improve facility security, personnel safety, and operational effectiveness within established budget constraints. Projects funded under this program are evaluated through established business, security, and cost-benefit analyses to ensure proposed solutions provide measurable value, reduce security risks, and align with operational objectives.

Project No: 97728026 Phys Sec New Cap Prog 2026

Project Alternatives

Alternative 1) Do nothing and rely solely on existing physical security technologies and processes. This approach may limit the organization's ability to address new security threats, operational challenges, and technology advancements that could improve security effectiveness and operational efficiency.

Alternative 2) Address new security needs through individual standalone projects as opportunities arise. While feasible, this approach may reduce flexibility and slow the organization's ability to respond quickly to emerging physical security requirements.

Project No: 97728026 Phys Sec New Cap Prog 2026

Project Estimate Approach	Project funding estimates are established through assessment of anticipated physical security enhancement opportunities, preliminary vendor budget pricing, and evaluations performed by Corporate Security and other technical subject matter experts. Cost projections consider the complexity of proposed solutions, implementation requirements, integration needs, and expected operational benefits. Historical performance and lessons learned from comparable security technology deployments are also utilized to validate assumptions and support the development of realistic funding requirements. Estimates are updated as project scope becomes more clearly defined and potential solutions are evaluated through the program's governance process.

Project No: **97728026** **Phys Sec New Cap Prog 2026**

Customer Benefit

Customers benefit from PNM's ability to maintain secure facilities, protect critical infrastructure assets, and support business continuity. The Physical Security New Capabilities Program enables the deployment of technologies that improve monitoring, situational awareness, and facility protection, helping reduce security risks and enhance operational resiliency. These capabilities support the safe and reliable operation of utility assets and the continued delivery of electric service.

Project No: **97728026** **Phys Sec New Cap Prog 2026**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **97728026** **Phys Sec New Cap Prog 2026**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on protecting critical facilities, employees, and infrastructure from physical security risks. The Physical Security New Capabilities Program enhances security by supporting the implementation of innovative technologies and monitoring solutions that strengthen facility protection and improve threat detection capabilities. By enabling proactive security improvements, the program helps reduce risk, improve operational awareness, and support a safe and secure operating environment.

Technology Advancements

The physical security landscape continues to evolve as emerging technologies provide new methods for detecting, analyzing, and responding to potential threats. PNM actively monitors advancements in areas such as intelligent video analytics, automation, artificial intelligence, and enhanced monitoring platforms to identify opportunities that improve facility protection and operational awareness. By evaluating and selectively adopting innovative security capabilities, the company can better anticipate risks, improve the effectiveness of security operations, and enhance the protection of personnel, facilities, and critical assets. Investments made through this program help ensure that PNM's physical security strategy continues to evolve alongside changing technologies and emerging threat conditions.

Project No: 97728026 Phys Sec New Cap Prog 2026

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	6,250	6,250	6,250	6,250	6,250	6,250	37,500
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	17,500	17,500	17,500	17,500	17,500	17,500	105,000
370: Outside Services	-	4,167	4,167	4,167	4,167	4,167	4,167	25,000
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	1,250	1,250	1,250	1,250	1,250	1,250	7,500
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	80	237	396	554	708	960	2,933
610: Expenses - General	-	-	-	-	-	-	35,800	35,800
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	500	500	500	500	500	500	3,000
914: Pension and Benefits	-	1,364	1,364	1,364	1,364	1,364	1,364	8,186
915: Injuries and Damages	-	124	124	124	124	124	124	746
921: Stores Load	-	750	750	750	750	750	750	4,502
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(230,168)	(230,168)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	31,985	32,143	32,301	32,460	32,613	(161,503)	-

Project No: **97728026** **Phys Sec New Cap Prog 2026**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	37,500	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	105,000	-	-	-	-	-	-
370: Outside Services	25,000	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	7,500	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	2,933	-	-	-	-	-	-
610: Expenses - General	35,800	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	3,000	-	-	-	-	-	-
914: Pension and Benefits	8,186	-	-	-	-	-	-
915: Injuries and Damages	746	-	-	-	-	-	-
921: Stores Load	4,502	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(230,168)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 97728026 Phys Sec New Cap Prog 2026

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	37,500
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	105,000
370: Outside Services	-	-	-	25,000
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	7,500
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	2,933
610: Expenses - General	-	-	-	35,800
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	3,000
914: Pension and Benefits	-	-	-	8,186
915: Injuries and Damages	-	-	-	746
921: Stores Load	-	-	-	4,502
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(230,168)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 97728026 Phys Sec New Cap Prog 2026

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	37,500	-	-	-	37,500	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	105,000	-	-	-	105,000	-	-	-
370: Outside Services	25,000	-	-	-	25,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	7,500	-	-	-	7,500	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,933	-	-	-	2,933	-	-	-
610: Expenses - General	35,800	-	-	-	35,800	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	3,000	-	-	-	3,000	-	-	-
914: Pension and Benefits	8,186	-	-	-	8,186	-	-	-
915: Injuries and Damages	746	-	-	-	746	-	-	-
921: Stores Load	4,502	-	-	-	4,502	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(230,168)	-	-	-	(230,168)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **97728026** **Phys Sec New Cap Prog 2026**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	37,500
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	105,000
370: Outside Services	-	-	-	-	-	-	25,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	7,500
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2,933
610: Expenses - General	-	-	-	-	-	-	35,800
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	3,000
914: Pension and Benefits	-	-	-	-	-	-	8,186
915: Injuries and Damages	-	-	-	-	-	-	746
921: Stores Load	-	-	-	-	-	-	4,502
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(230,168)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 97728027 Phys Sec New Cap Prog 2027

Company: 007 PNMR Services Company
Location: 977 Corp Alloc-Bldg-Headquarters

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2027

Estimated Completion Date 12/31/2027

Description

The Physical Security New Capabilities Program 2027 supports the identification and implementation of emerging physical security technologies that enhance the protection of PNM facilities, personnel, and operational assets. The program provides funding for targeted security improvements and new capabilities designed to strengthen Corporate Security operations and improve the effectiveness of physical security controls. Potential initiatives may include enhanced surveillance solutions, intelligent monitoring technologies, access management enhancements, and other innovations that improve facility security and operational response capabilities.

Project No: 97728027 Phys Sec New Cap Prog 2027

Project Need Justification	Maintaining an effective physical security program requires continual evaluation of new technologies and security practices capable of addressing evolving threats and operational requirements. The Physical Security New Capabilities Program enables PNM to pursue smaller-scale security improvements and emerging opportunities that may not be otherwise accommodated through traditional lifecycle replacement projects. Projects selected under the program must demonstrate measurable benefits, operational value, and alignment with corporate security objectives while supporting the efficient use of capital resources.

Project No: **97728027** **Phys Sec New Cap Prog 2027**

Project Alternatives

Alternative 1) Forego implementation of new physical security capabilities and continue operating with existing systems and procedures. This approach may reduce the organization's ability to leverage new technologies that improve security effectiveness, operational efficiency, and facility protection.

Alternative 2) Implement security enhancements only when required to address specific incidents or deficiencies. While reactive investments may address immediate concerns, they may limit opportunities to proactively strengthen security capabilities and improve operational efficiency.

Project No: 97728027 Phys Sec New Cap Prog 2027

Project Estimate Approach	Project cost estimates are developed through a structured evaluation of proposed security enhancements, vendor budgetary proposals, and anticipated implementation requirements. Potential projects are reviewed by Corporate Security personnel and other subject matter experts to determine technical feasibility, expected security benefits, and alignment with organizational objectives. Estimated costs reflect anticipated equipment, software, installation services, integration activities, and supporting infrastructure necessary to implement approved physical security improvements. Funding requirements are further informed by experience gained from prior physical security initiatives and comparable technology deployments.

Project No: **97728027** **Phys Sec New Cap Prog 2027**

Customer Benefit

Customers benefit from the protection of critical facilities and infrastructure that support utility operations and business continuity. The Physical Security New Capabilities Program helps strengthen physical security controls through the implementation of new technologies that improve monitoring, detection, and response capabilities. Enhanced security measures help reduce operational risks and support the dependable operation of systems and facilities essential to delivering reliable electric service.

Project No: **97728027** **Phys Sec New Cap Prog 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: 97728027 Phys Sec New Cap Prog 2027

General Services

Reliability & Resiliency

Safety & Security

Safety and security remain fundamental to the reliable operation of utility infrastructure and facilities. The Physical Security New Capabilities Program 2027 supports the deployment of modern security technologies that improve physical security effectiveness, strengthen infrastructure protection, and enhance operational readiness. By enabling the adoption of innovative capabilities that address emerging threats and security challenges, the program helps safeguard employees, facilities, and critical assets while supporting reliable utility operations.

Technology Advancements

Advancements in technology continue to create new opportunities to improve facility protection, operational awareness, and security effectiveness. PNM actively evaluates emerging technologies, automation capabilities, intelligent analytics, and other innovative solutions that can strengthen the organization's ability to identify, assess, and respond to physical security risks. Through collaboration with industry experts and technology providers, the company seeks to responsibly leverage modern capabilities that improve security outcomes, enhance operational efficiency, and support the protection of personnel, facilities, and critical infrastructure assets. Investments made through this program help position PNM to adapt to evolving threats while maintaining a secure and resilient operating environment.

Project No: 97728027 Phys Sec New Cap Prog 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **97728027** **Phys Sec New Cap Prog 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	7,273	7,273	7,273	7,273	7,273
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	31,818	31,818	31,818	31,818	31,818
370: Outside Services	-	-	18,182	18,182	18,182	18,182	18,182
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	176	508	844	1,211	1,564
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	582	582	582	582	582
914: Pension and Benefits	-	-	1,710	1,710	1,710	1,710	1,710
915: Injuries and Damages	-	-	158	158	158	158	158
921: Stores Load	-	-	1,040	1,040	1,040	1,040	1,040
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	60,938	61,270	61,606	61,973	62,326

Project No: **97728027** **Phys Sec New Cap Prog 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	7,273	7,273	7,273	58,182
120: Overtime-General	-	-	-	-
350: Material Issues-Major	31,818	31,818	31,818	254,546
370: Outside Services	18,182	18,182	18,182	145,455
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	1,864	2,207	2,555	10,930
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	582	582	582	4,655
914: Pension and Benefits	1,710	1,710	1,710	13,679
915: Injuries and Damages	158	158	158	1,263
921: Stores Load	1,040	1,040	1,040	8,319
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	62,626	62,969	63,317	497,026

Project No: 97728027 Phys Sec New Cap Prog 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	58,182	7,273	7,273	7,273	80,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	254,546	31,818	31,818	31,818	350,000	-	-	-
370: Outside Services	145,455	18,182	18,182	18,182	200,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	10,930	2,844	3,187	3,911	20,872	-	-	-
610: Expenses - General	-	-	-	110,000	110,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	4,655	582	582	582	6,400	-	-	-
914: Pension and Benefits	13,679	1,710	1,710	1,710	18,808	-	-	-
915: Injuries and Damages	1,263	158	158	158	1,736	-	-	-
921: Stores Load	8,319	1,040	1,040	1,040	11,438	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(799,255)	(799,255)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	497,026	63,606	63,949	(624,582)	0	-	-	-

Project No: **97728027** **Phys Sec New Cap Prog 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	80,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	350,000
370: Outside Services	-	-	-	-	-	-	200,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	20,872
610: Expenses - General	-	-	-	-	-	-	110,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	6,400
914: Pension and Benefits	-	-	-	-	-	-	18,808
915: Injuries and Damages	-	-	-	-	-	-	1,736
921: Stores Load	-	-	-	-	-	-	11,438
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(799,255)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: 97728128 C Cure ELA 2027

Company: 007 PNMR Services Company
Location: 977 Corp Alloc-Bldg-Headquarters

Project Information

County % Bernalillo 100%

Estimated Start Date 10/1/2027

Estimated Completion Date 12/31/2027

Description

The C-Cure ELA (Enterprise License Agreement) 2027 project renews a three-year capitalizable license for the C-Cure physical security system. The C-Cure platform is a badging and access control system currently utilized by the Physical Security group to manage employee and contractor credentials, control access to company facilities, and support enterprise security operations. Renewal of the enterprise license ensures continued vendor support, software updates, cybersecurity patches, and system reliability across PNM facilities. This investment maintains compliance with corporate security requirements, supports the protection of critical infrastructure and personnel, and enables the continued operation of a standardized physical security platform throughout the organization.

Project No: **97728128 C Cure ELA 2027**

Project Need Justification

PNM is required to maintain effective physical access controls for company facilities and critical infrastructure assets. The C-Cure platform provides the enterprise badging and access control capabilities necessary to support these security requirements. Renewal of the three-year enterprise license agreement is needed to ensure continued operation of the system, access to vendor support, and receipt of software updates that help maintain system security, reliability, and compliance with evolving business and security needs.

Project No: **97728128 C Cure ELA 2027**

Project Alternatives

Alternative 1) Do nothing and allow the C-Cure Enterprise License Agreement to expire. PNM relies on the C-Cure platform to manage employee and contractor badging, administer facility access, and support physical security operations across company locations. Without an active license agreement, the company would risk losing vendor support, software updates, and continued functionality necessary to maintain effective physical access controls and security operations.

Alternative 2) Replace C-Cure with a different physical security and access control platform. PNM's Physical Security team continuously evaluates available technologies and solutions to ensure they meet operational and security requirements. At this time, C-Cure continues to meet the company's needs for enterprise badging and access control. Transitioning to a new platform would require significant implementation effort, system reconfiguration, retraining of personnel, and potential replacement or integration of existing hardware, resulting in increased costs, operational disruption, and implementation risks.

Project No: **97728128** **C Cure ELA 2027**

Project Estimate Approach	Not required for projects with less than $250,000 of expenditures.

Project No: **97728128 C Cure ELA 2027**

Customer Benefit

The C-Cure platform supports the security of PNM facilities and critical infrastructure by providing enterprise-wide badging and physical access control capabilities. By ensuring that only authorized personnel can access designated locations, the system helps protect assets essential to the delivery of safe and reliable electric service. Continued use of C-Cure supports the company's ability to maintain secure operations, reduce physical security risks, and ensure continuity of service for customers.

Project No: **97728128 C Cure ELA 2027**

Primary Value Driver Safety & Security

Compliance

Customer Delivery

Energy Transition

Project No: **97728128** **C Cure ELA 2027**

General Services

Reliability & Resiliency

Safety & Security

PNM's ability to provide safe and reliable electric service depends on maintaining effective physical security controls for its personnel, facilities, and critical infrastructure assets. The C-Cure platform is a key component of the company's physical security program, enabling the management and monitoring of employee and contractor access to authorized locations. By supporting secure access control and reducing physical security risks, the system helps protect company assets, enhance employee safety, and support the continued delivery of reliable service to customers.

Technology Advancements

PNM recognizes that rapidly evolving technologies, including artificial intelligence, are reshaping both opportunities and risks across the utility industry. The company actively evaluates emerging technologies and works with industry specialists to identify solutions that improve operational effectiveness, strengthen decision-making, and enhance cybersecurity capabilities. By responsibly adopting innovative technologies and developing the controls necessary to govern their use, PNM positions itself to leverage future advancements while maintaining the reliability, security, and resiliency of the systems that support utility operations.

Project No: 97728128 C Cure ELA 2027

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **97728128** **C Cure ELA 2027**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **97728128** **C Cure ELA 2027**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	-
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	-
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 97728128 C Cure ELA 2027

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	6,667	6,667	6,667	20,000	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	10,000	10,000	10,000	30,000	-	-	-
370: Outside Services	-	10,333	10,333	10,333	31,000	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	107	321	547	975	-	-	-
610: Expenses - General	-	10,000	10,000	10,000	30,000	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	533	533	533	1,600	-	-	-
914: Pension and Benefits	-	1,567	1,567	1,567	4,702	-	-	-
915: Injuries and Damages	-	145	145	145	434	-	-	-
921: Stores Load	-	327	327	327	980	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	(119,691)	(119,691)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	39,679	39,893	(79,572)	-	-	-	-

Project No: **97728128** **C Cure ELA 2027**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	20,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	30,000
370: Outside Services	-	-	-	-	-	-	31,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	975
610: Expenses - General	-	-	-	-	-	-	30,000
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	1,600
914: Pension and Benefits	-	-	-	-	-	-	4,702
915: Injuries and Damages	-	-	-	-	-	-	434
921: Stores Load	-	-	-	-	-	-	980
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(119,691)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: 97730524 General Bldg and MRF Upgrades

Company: 007 PNMR Services Company
Location: 977 Corp Alloc-Bldg-Headquarters

Project Information

	County %	Bernalillo	100%

Estimated Start Date 12/1/2024

Estimated Completion Date 12/31/2027

Description

The project is contingent upon future decisions regarding the meter readers currently located at the Meter Reading Facility (MRF). Meter upgrades beginning in Q4 2026 will reduce the number of meter readers housed at the facility, creating space that can be upgraded for other departments to utilize. The departments that will occupy the facility in the future have not yet been identified. Once future space requirements are determined, the facility would be reconfigured to accommodate the identified departments. Planned improvements may include removing and reconfiguring interior walls to improve workflow, replacing flooring, upgrading restrooms, and installing new furniture. The project is expected to be completed in Q4 2027. Any unused project funds will be applied to corporate capital improvements.

Project No: 97730524 General Bldg and MRF Upgrades

Project Need Justification	The facility upgrades will help alleviate overcrowding at other PNM locations, including Headquarters and Masthead, where the Customer Service department is currently experiencing space constraints. Once remodeled, the facility will accommodate approximately 30 employees, providing additional workspace while making productive use of an existing PNM-owned facility. The remodel is expected to be completed by Q4 2027. Without the improvements, the facility would remain vacant.

Project No: **97730524** **General Bldg and MRF Upgrades**

Project Alternatives

The remodel and upgrades could be deferred or not completed. However, this would leave the facility vacant and delay PNM's ability to address overcrowding at other facilities. The modifications are necessary to accommodate increased use of the building and meet the workspace needs of future departments.

Project No: **97730524** **General Bldg and MRF Upgrades**

Project Estimate Approach	The estimate was developed by obtaining quotes from general contractors and project management firms based on the anticipated scope of the future remodel.

Project No: **97730524** **General Bldg and MRF Upgrades**

Customer Benefit	Ensuring PNM personnel have access to safe buildings that meet operational needs is important so they can focus their efforts on providing reliable service to customers.

Project No: **97730524** **General Bldg and MRF Upgrades**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **97730524 General Bldg and MRF Upgrades**

General Services	Maintaining and upgrading building assets to ensure employee safety and comfort. These upgrades also ensure we are extending the life of the building asset.
Reliability & Resiliency	
Safety & Security	Completed projects contribute to improved work conditions for employees and visitors while providing a safe, efficient and updated work environment.
Technology Advancements	

Project No: 97730524 General Bldg and MRF Upgrades

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	2,965,178	2,965,178
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	7,282	7,282
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(2,972,460)	(2,972,460)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **97730524** **General Bldg and MRF Upgrades**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	2,965,178	-	-	953,400	-	-	1,000,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	7,282	-	-	2,654	-	-	2,832
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(2,972,460)	-	-	(956,054)	-	-	(1,002,832)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **97730524** **General Bldg and MRF Upgrades**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	1,000,000	5,918,578
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	2,753	15,521
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	(1,002,753)	(5,934,099)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	0

Project No: 97730524 General Bldg and MRF Upgrades

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	5,918,578	-	-	1,055,005	6,973,583	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	15,521	-	-	2,906	18,427	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(5,934,099)	-	-	(1,057,911)	(6,992,010)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	0	-	-	-	0	-	-	-

Project No: **97730524** **General Bldg and MRF Upgrades**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	6,973,583
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	18,427
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(6,992,010)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	0

Project No: 97730525 Employee Parking Elevator Rebuilds

Company: 007 PNMR Services Company
Location: 977 Corp Alloc-Bldg-Headquarters

Project Information

County %	Bernalillo	100%	

Estimated Start Date 1/1/2025

Estimated Completion Date 12/31/2026

Description

This project involves the complete rebuild of the two elevators in the PNM employee parking structure located at 5th and Silver Avenue Southwest. This is an eight-story building and the current units are original to the building which dates back to July 2001. After 23 years in service, many key components are experiencing significant wear and tear, and full replacement is recommended by the manufacturer, Kone Elevator.

The scope of this work will entail the following replacements: Microprocessor controller, drive motors, door equipment, doors, hangers, rollers, interlocks, roller glides, encoders. hoist cables, overspeed governor and other safety related operating enhancements. Also, new code appropriate car stations, hall stations, and hall lanterns for each elevator landing. The car station will include digital programable position indicators as well. The existing cab interior finishes will also be replaced with new compact laminate panels, handrails and LED down light drop ceilings.

Project No: 97730525 Employee Parking Elevator Rebuilds

Project Need Justification

The elevator system in the employee parking structure is 23 years old and showing significant wear. Many replacement parts are no longer manufactured and have become extremely difficult to find, so a failure increasingly cannot be repaired promptly. The manufacturer recommends full replacement.

Project No: **97730525** **Employee Parking Elevator Rebuilds**

Project Alternatives

Due to age, the current conditions of the existing units, and the fact that replacement parts may soon be unavailable for repairs, the proposed replacement was the only option considered.

Project No: **97730525** **Employee Parking Elevator Rebuilds**

Project Estimate Approach	Initial budget estimates were derived from meetings with senior technicians to establish the funding requirement for this work. A scope assessment with the manufacturer's engineers was then used to refine the time and cost implications of this project.

Project No: **97730525** **Employee Parking Elevator Rebuilds**

Customer Benefit

This project provides the necessary funding to keep the facility operating in accordance with building and safety codes which allows for secure parking for PNM employees, contractors and business constituents. A safer working environment for PNM employees translates to indirect benefit to its customers.

Project No: **97730525** **Employee Parking Elevator Rebuilds**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **97730525** **Employee Parking Elevator Rebuilds**

General Services

General Services: Investments for enhancing and expanding facilities, equipment, vehicles, and tools. These investments often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues, as well as maintaining building assets and acceptable operating conditions.

Reliability & Resiliency

Safety & Security

Technology Advancements

Project No: 97730525 Employee Parking Elevator Rebuilds

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	154,622	-	-	-	-	-	408,387	563,009
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	3,233	720	-	-	-	-	1,003	4,956
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	446	-	-	-	-	-	-	446
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	(144,932)	-	-	-	-	(409,390)	(554,323)
825: Closing Cost of Removal	-	(10,855)	-	-	-	-	-	(10,855)
Project Net	158,300	(155,067)	-	-	-	-	-	3,233

Project No: **97730525** **Employee Parking Elevator Rebuilds**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	563,009	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	4,956	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	446	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(554,323)	-	-	-	-	-	-
825: Closing Cost of Removal	(10,855)	-	-	-	-	-	-
Project Net	3,233	-	-	-	-	-	-

Project No: **97730525** **Employee Parking Elevator Rebuilds**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	563,009
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	4,956
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	446
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(554,323)
825: Closing Cost of Removal	-	-	-	(10,855)
Project Net	-	-	-	3,233

Project No: 97730525 Employee Parking Elevator Rebuilds

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	563,009	-	-	-	563,009	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	4,956	-	-	-	4,956	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	446	-	-	-	446	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(554,323)	-	-	-	(554,323)	-	-	-
825: Closing Cost of Removal	(10,855)	-	-	-	(10,855)	-	-	-
Project Net	3,233	-	-	-	3,233	-	-	-

Project No: **97730525** **Employee Parking Elevator Rebuilds**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	563,009
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	4,956
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	446
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(554,323)
825: Closing Cost of Removal	-	-	-	-	-	-	(10,855)
Project Net	-	-	-	-	-	-	3,233

Project No: 97730625 HQ Chillers Replacement

Company: 007 PNMR Services Company
Location: 977 Corp Alloc-Bldg-Headquarters

Project Information

County % Bernalillo 100%

Estimated Start Date 9/1/2025

Estimated Completion Date 7/31/2026

Description

This project will replace and upgrade the existing chillers at PNM Headquarters, which have reached the end of their useful lives and require significant ongoing maintenance to remain operational. The chillers provide essential cooling for the building, including temperature control for areas housing critical server equipment.

Project No: 97730625 HQ Chillers Replacement

Project Need Justification

Replacing the chillers is not only a proactive measure to enhance the overall operational effectiveness of the facility but also a strategic move to safeguard the integrity and reliability of the servers and the critical data they house. Failure of the cooling system could result in servers overheating, increasing the risk of equipment damage, system failures, and potential data loss. Replacing the aging chillers will provide reliable cooling for critical equipment and common areas in the building while reducing the maintenance requirements and operational risks associated with the existing units.

Project No: 97730625 HQ Chillers Replacement

Project Alternatives

The alternative is to not replace the chillers, which would mean essential cooling would be lost throughout the building. This cooling is vital for safeguarding critical IT equipment from overheating and ensuring employee comfort.

Project No: **97730625** **HQ Chillers Replacement**

Project Estimate Approach	Project costs were based on obtaining bids from 3 heating, ventilation, and air conditioning (HVAC) contractors.

Project No: **97730625** **HQ Chillers Replacement**

Customer Benefit	Ensuring PNM personnel have access to safe buildings that meet operational needs is important so they can focus their efforts on providing reliable service to customers.

Project No: **97730625** **HQ Chillers Replacement**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **97730625** **HQ Chillers Replacement**

General Services	Maintaining building assets to ensure employee comfort and protect vital equipment.
Reliability & Resiliency	
Safety & Security	Completed projects contribute to improved work conditions for employees and visitors while providing a safe, efficient and updated work environment.
Technology Advancements	

Project No: 97730625 HQ Chillers Replacement

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	1,825,410	-	-	-	-	-	-	1,825,410
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	48,292	-	-	-	-	-	-	48,292
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	4,994	-	-	-	-	-	-	4,994
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,750,568)	33,748	-	-	-	-	-	(1,716,820)
825: Closing Cost of Removal	-	(128,128)	-	-	-	-	-	(128,128)
Project Net	128,128	(94,380)	-	-	-	-	-	33,748

Project No: **97730625** **HQ Chillers Replacement**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	1,825,410	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	48,292	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	4,994	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,716,820)	-	-	-	-	-	-
825: Closing Cost of Removal	(128,128)	-	-	-	-	-	-
Project Net	33,748	-	-	-	-	-	-

Project No: **97730625** **HQ Chillers Replacement**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	1,825,410
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	48,292
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	4,994
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(1,716,820)
825: Closing Cost of Removal	-	-	-	(128,128)
Project Net	-	-	-	33,748

Project No: 97730625 HQ Chillers Replacement

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	1,825,410	-	-	-	1,825,410	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	48,292	-	-	-	48,292	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	4,994	-	-	-	4,994	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,716,820)	-	-	-	(1,716,820)	-	-	-
825: Closing Cost of Removal	(128,128)	-	-	-	(128,128)	-	-	-
Project Net	33,748	-	-	-	33,748	-	-	-

Project No: 97730625 HQ Chillers Replacement

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	1,825,410
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	48,292
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	4,994
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(1,716,820)
825: Closing Cost of Removal	-	-	-	-	-	-	(128,128)
Project Net	-	-	-	-	-	-	33,748

Project No: 97730526 HQ Cooling Towers Replacement

Company: 007 PNMR Services Company
Location: 977 Corp Alloc-Bldg-Headquarters

Project Information

County %	Bernalillo	100%	

Estimated Start Date 4/1/2026

Estimated Completion Date 10/31/2026

Description

This project replaces the cooling towers at PNM's headquarters. The existing units have passed their serviceable life expectancy, and the cost of operating them has exceeded normal upkeep.

Project No: 97730526 HQ Cooling Towers Replacement

Project Need Justification

The cooling towers at PNM's headquarters building have passed their serviceable life expectancy, and keeping them operational now costs more than normal operations and upkeep.

Project No: **97730526** **HQ Cooling Towers Replacement**

Project Alternatives

The alternative is to not replace the cooling tower, which would mean essential cooling would be lost throughout the building. This cooling is vital for safeguarding critical IT equipment from overheating and ensuring employee comfort.

Project No: **97730526** **HQ Cooling Towers Replacement**

Project Estimate Approach	Project costs were based on obtaining bids from 3 heating, ventilation, and air conditioning (HVAC) contractors.

Project No: **97730526** **HQ Cooling Towers Replacement**

Customer Benefit	Ensuring PNM personnel have access to safe buildings that meet operational needs is important so they can focus their efforts on providing reliable service to customers.

Project No: **97730526** **HQ Cooling Towers Replacement**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: **97730526** **HQ Cooling Towers Replacement**

General Services	Maintaining building assets to ensure employee comfort and protect vital equipment.
Reliability & Resiliency	
Safety & Security	Completed projects contribute to improved work conditions for employees and visitors while providing a safe, efficient and updated work environment.
Technology Advancements	

Project No: 97730526 HQ Cooling Towers Replacement

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	-	-	-	192,763	305,104	-	-	497,867
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	476	1,704	-	-	2,181
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	(500,047)	-	-	(500,047)
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	193,239	(193,239)	-	-	-

Project No: **97730526** **HQ Cooling Towers Replacement**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	497,867	-	-	-	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	2,181	-	-	-	-	-	-
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(500,047)	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **97730526** **HQ Cooling Towers Replacement**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	-	-	-	497,867
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	-	2,181
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	-
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(500,047)
825: Closing Cost of Removal	-	-	-	-
Project Net	-	-	-	-

Project No: 97730526 HQ Cooling Towers Replacement

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	497,867	-	-	-	497,867	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,181	-	-	-	2,181	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(500,047)	-	-	-	(500,047)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-	-

Project No: **97730526** **HQ Cooling Towers Replacement**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	497,867
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2,181
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(500,047)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	-

Project No: **97731007** **Gen Svcs Bldg Maint Blanket - Corp**

Company: 007 PNMR Services Company
Location: 977 Corp Alloc-Bldg-Headquarters

Project Information County % Total System 100%

Estimated Start Date 1/1/2023

Estimated Completion Date 12/31/2033

Description

This project covers the allocated funds for the General Services organization to support various Corporate facility improvement initiatives. Projects may include items such as heating, ventilation, and air conditioning (HVAC) systems, pumps, compressors, interior/exterior remodels, office furnishings, general equipment replacements, and infrastructure improvements (e.g., roofs, etc.) as needs are identified. This is a blanket fund that covers facilities for business unit 7, which are corporate buildings that belong to PNMR Services Company. Efforts will be coordinated to prioritize and respond to requests. Individual project funding requirements are appropriately reviewed with internal/external subject matter experts as situations arise to determine best course of action for safe and economic problem resolution. Use of architectural and engineering professionals are often consulted to provide input and/or recommendations to help drive decisions for remediation and compliance.

Project No: **97731007** **Gen Svcs Bldg Maint Blanket - Corp**

Project Need Justification

This project is needed to repair and replace equipment in PNM's corporate facilities. These repairs ensure a safe environment for PNM personnel and reduce the risk of catastrophic equipment failures that could impact the ability to use these spaces and require more costly repairs. This fund covers maintenance and repairs, new office furnishings, audio/visual updates, and other projects.

Project No: **97731007** **Gen Svcs Bldg Maint Blanket - Corp**

Project Alternatives

If blanket capital funding is unavailable, building repairs will be prioritized and funded through the Operations & Maintenance (O&M) budget, or individual projects specific to capital requests. Using O&M to fund major building repairs places additional pressure on operational budgets and reduces funds available for normal maintenance and service delivery.

Project No: **97731007** **Gen Svcs Bldg Maint Blanket - Corp**

Project Estimate Approach	Project costs were estimated based on similar work performed in the past. Individual pieces of equipment repaired/replaced as part of this project are evaluated by internal subject matter experts to determine how best to proceed with recommended solutions, including whether outside expertise (e.g., engineering and contractor support) is needed for cost, safety and operational efficiencies.

Project No: **97731007** **Gen Svcs Bldg Maint Blanket - Corp**

Customer Benefit

Ensuring that PNM personnel have access to safe and secure buildings that meet their operational needs is vital. This provision allows them to concentrate fully on their primary mission, which is to provide reliable and efficient service to customers. When employees work in facilities that are well-maintained and tailored to their requirements, it enhances their ability to perform tasks effectively. Additionally, a safe working environment not only boosts morale but also fosters a sense of responsibility and care among employees. Ultimately, this focus supports the overall goal of delivering high-quality service, ensuring that customers receive the best experience possible.

Project No: **97731007** **Gen Svcs Bldg Maint Blanket - Corp**

Primary Value Driver General Services

Compliance

Customer Delivery

Energy Transition

Project No: 97731007 Gen Svcs Bldg Maint Blanket - Corp

General Services

Investments for enhancing and expanding facilities, equipment, vehicles, and tools. These investments often address NERC, safety, OSHA, building codes, ergonomic or space capacity issues, as well as maintaining building assets and acceptable operating conditions.

Reliability & Resiliency

Safety & Security

Investments for the mitigation of existing safety risks or for safety enhancements associated with a facility; crisis management, wild-fire mitigation, vegetation management, and the mitigation of both physical and cyber security risks. Examples include investments to mitigate or avoid employee and public safety incidents, damage to company or public property, and physical or cyber breaches.

Technology Advancements

Project No: 97731007 Gen Svcs Bldg Maint Blanket - Corp

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	53,558	-	-	-	-	-	-	53,558
370: Outside Services	1,911,611	-	-	201,849	100,000	-	352,868	2,566,328
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	17,462	86	-	499	1,244	-	867	20,156
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	5,312	-	-	-	-	-	-	5,312
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	745	-	-	-	-	-	-	745
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(1,789,297)	(17,272)	-	-	(303,592)	-	(353,735)	(2,463,897)
825: Closing Cost of Removal	(40,449)	(144,460)	-	-	-	-	-	(184,910)
Project Net	158,940	(161,647)	-	202,348	(202,348)	-	(0)	(2,707)

Project No: **97731007** **Gen Svcs Bldg Maint Blanket - Corp**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	53,558	-	-	-	-	-	-
370: Outside Services	2,566,328	-	-	190,000	-	-	190,000
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	20,156	-	-	529	-	-	538
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	5,312	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	745	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(2,463,897)	-	-	(190,529)	-	-	(190,538)
825: Closing Cost of Removal	(184,910)	-	-	-	-	-	-
Project Net	(2,707)	-	-	-	-	-	-

Project No: **97731007** **Gen Svcs Bldg Maint Blanket - Corp**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	-	-	-	-
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	53,558
370: Outside Services	-	-	207,700	3,154,028
374: Outside Services Legal	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	-	-	572	21,795
610: Expenses - General	-	-	-	-
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	-	-	-	-
914: Pension and Benefits	-	-	-	-
915: Injuries and Damages	-	-	-	-
921: Stores Load	-	-	-	5,312
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	745
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	(2,844,963)
825: Closing Cost of Removal	-	-	-	(184,910)
Project Net	-	-	208,272	205,565

Project No: 97731007 Gen Svcs Bldg Maint Blanket - Corp

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	-	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	53,558	-	-	-	53,558	-	-	-
370: Outside Services	3,154,028	333,333	333,333	433,438	4,254,132	-	-	-
374: Outside Services Legal	-	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	21,795	2,022	3,831	6,045	33,693	-	-	-
610: Expenses - General	-	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-	-
921: Stores Load	5,312	-	-	-	5,312	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	745	-	-	-	745	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	(2,844,963)	-	-	(1,320,273)	(4,165,237)	-	-	-
825: Closing Cost of Removal	(184,910)	-	-	-	(184,910)	-	-	-
Project Net	205,565	335,355	337,164	(880,790)	(2,707)	-	-	-

Project No: **97731007** **Gen Svcs Bldg Maint Blanket - Corp**

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	-
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	53,558
370: Outside Services	1,650,000	-	-	1,650,000	-	-	7,554,132
374: Outside Services Legal	-	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	4,362	-	-	4,303	-	-	42,358
610: Expenses - General	-	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	-
914: Pension and Benefits	-	-	-	-	-	-	-
915: Injuries and Damages	-	-	-	-	-	-	-
921: Stores Load	-	-	-	-	-	-	5,312
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	745
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	(1,654,362)	-	-	(1,654,303)	-	-	(7,473,902)
825: Closing Cost of Removal	-	-	-	-	-	-	(184,910)
Project Net	-	-	-	-	-	-	(2,707)

Project No: 98628124 EAM Modernization

Company: 007 PNMR Services Company
Location: 986 Corp Alloc - MMS-Maximo

Project Information

County % Bernalillo 100%

Estimated Start Date 2/1/2024

Estimated Completion Date 12/31/2027

Description

The Enterprise Asset Management (EAM) Modernization project replaces TXNM's key asset and work order management system, implemented in 2017 with a modern, far more efficient and supportable system. After thorough review of on-going issues and limitations in the previous IBM Maximo system, TXNM has chosen to completely replace it with IFS (Industrial and Financial Systems), a modern cloud-based system. The project is a significant effort requiring the services of many employees and third party contractors to evaluate, design, deploy, implement, and thoroughly test the new IFS system while retrofitting certain customizations required by TXNM.

Project No: 98628124 EAM Modernization

Project Need Justification

TXNM's current asset management system, IBM's Maximo, has proven over the previous ten years to be inadequate for the company's evolving needs and difficult to maintain. After a thorough review and search in 2025, TXNM has determined a modern, cloud-based system used by many companies around the world with requirements similar to TXNM's is a much better solution. The conversion from Maximo will take all of 2026 and much of 2027 and involves a significant effort to eliminate current customizations in Maximo, instead leveraging native IFS procedures, map needed processes, convert and load data, and extensive testing. When complete, it is TXNM's expectation that the new IFS system will operate far more efficiently and reliably while facilitating changes the company will likely required to adapt to changes in our business environment.

Project No: **98628124** **EAM Modernization**

Project Alternatives

Alternative 1) would be to undertake an extensive and expensive modernization of the existing Maximo system. However, the cost and effort would be significant and TXNM would be left with a critical tool that no longer meets its needs while being expensive and difficult to operate. Alternative 2) would be to do nothing at all, which would leave TXNM with the same Maximo inadequacies while also saddling the company with significant, unacceptable risks associated with running an unsupported, out of date system. Neither alternative is acceptable to a modern efficient utility.

Project No: **98628124** **EAM Modernization**

Project Estimate Approach	Estimates for the EAM Modernization project derive from industry expertise sought from leading consultants, vendor bids and TXNM's own experience implementing similar types of systems.

Project No: **98628124** **EAM Modernization**

Customer Benefit	Customers benefit from the EAM Modernization project primarily through efficient handling and routing of work orders, which are TXNM's primary way of recording and assigning work that needs to be performed throughout the company, including service and repair orders. Ensuring this system is up to date and supportable helps reduce possible delays and misrouting of work orders that impact customers.

Project No: **98628124** **EAM Modernization**

Primary Value Driver Technology Advancements

Compliance

Customer Delivery

Energy Transition

Project No: **98628124** **EAM Modernization**

General Services

Reliability & Resiliency

A principal benefit for customers of the EAM Modernization project is to help ensure reliability and resilience. Efficient management of work orders is at the heart of TXNM's business and the current system is falling behind in its capabilities. TXNM's customers expect the company to make the kind of reasonable improvements necessary to maximize efficiency and accuracy.

Safety & Security

Technology Advancements

TXNM's ability to provide power and services reliably and safely is dependent on its ability to manage technology efficiently and cost-effectively. TXNM is vigilant about ensuring its technology operations run at the highest possible level by continually working with peers and vendors to identify and, where appropriate, implement the latest, most effective tools.

Project No: 98628124 EAM Modernization

	BegBal-Jul26	Jul26	Aug26	Sep26	Oct26	Nov26	Dec26	EndBal-26
110: Straight Time-General	76,106	75,000	75,000	75,000	75,000	75,000	75,000	526,106
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	2,120,378	932,768	932,768	932,768	2,208,929	1,844,311	565,000	9,536,922
374: Outside Services Legal	5,586	-	-	-	-	-	-	5,586
377: Outside Svcs-Temp Labor	38,256	-	-	-	-	-	-	38,256
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	545,849	95,587	100,255	105,775	114,285	124,207	131,894	1,217,852
610: Expenses - General	16,272,388	-	-	-	-	-	-	16,272,388
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	6,087	6,000	6,000	6,000	6,000	6,000	6,000	42,087
914: Pension and Benefits	16,735	16,373	16,373	16,373	16,373	16,373	16,373	114,970
915: Injuries and Damages	1,554	1,493	1,493	1,493	1,493	1,493	1,493	10,509
921: Stores Load	52,058	-	-	-	-	-	-	52,058
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	19,134,997	1,127,220	1,131,888	1,137,408	2,422,079	2,067,383	795,759	27,816,733

Project No: **98628124** **EAM Modernization**

	BegBal-27	Jan27	Feb27	Mar27	Apr27	May27	Jun27
110: Straight Time-General	526,106	75,000	75,000	75,000	75,000	75,000	75,000
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	9,536,922	772,385	407,768	772,385	954,694	40,000	407,768
374: Outside Services Legal	5,586	-	-	-	-	-	-
377: Outside Svcs-Temp Labor	38,256	-	-	-	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	1,217,852	160,980	165,976	163,996	169,103	177,259	180,460
610: Expenses - General	16,272,388	-	-	-	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	42,087	6,000	6,000	6,000	6,000	6,000	6,000
914: Pension and Benefits	114,970	17,633	17,633	17,633	17,633	17,633	17,633
915: Injuries and Damages	10,509	1,628	1,628	1,628	1,628	1,628	1,628
921: Stores Load	52,058	-	-	-	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	27,816,733	1,033,625	674,004	1,036,641	1,224,057	317,519	688,488

Project No: **98628124** **EAM Modernization**

	Jul27	Aug27	Sep27	EndBal-Sep27
110: Straight Time-General	75,000	75,000	75,000	1,201,106
120: Overtime-General	-	-	-	-
350: Material Issues-Major	-	-	-	-
370: Outside Services	40,000	40,000	407,768	13,379,690
374: Outside Services Legal	-	-	-	5,586
377: Outside Svcs-Temp Labor	-	-	-	38,256
391: Jt Proj Bill to PNM -N Lab	-	-	-	-
426: Capitalized Interest	178,245	179,832	182,693	2,776,395
610: Expenses - General	-	-	-	16,272,388
805: Land and Land Rights	-	-	-	-
807: Non Refundable Contrib	-	-	-	-
829: Construction Adjustment	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-
908: Luna AR - Labor	-	-	-	-
909: Luna AR - Other	-	-	-	-
913: Payroll Taxes	6,000	6,000	6,000	96,087
914: Pension and Benefits	17,633	17,633	17,633	273,662
915: Injuries and Damages	1,628	1,628	1,628	25,157
921: Stores Load	-	-	-	52,058
922: Minor Material Load	-	-	-	-
925: E&S Loads	-	-	-	-
926: A&G Loads	-	-	-	-
928: AFUDC Debt	-	-	-	-
929: AFUDC Equity	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-
825: Closing Addition	-	-	-	-
825: Closing Cost of Removal	-	-	-	-
Project Net	318,505	320,092	690,721	34,120,385

Project No: 98628124 EAM Modernization

	BegBal-Oct27	Oct27	Nov27	Dec27	EndBal-27	Jan28	Feb28	Mar28
110: Straight Time-General	1,201,106	-	-	-	1,201,106	-	-	-
120: Overtime-General	-	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-	-
370: Outside Services	13,379,690	-	-	-	13,379,690	-	-	-
374: Outside Services Legal	5,586	-	-	-	5,586	-	-	-
377: Outside Svcs-Temp Labor	38,256	-	-	-	38,256	-	-	-
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-	-
426: Capitalized Interest	2,776,395	181,297	-	-	2,957,692	-	-	-
610: Expenses - General	16,272,388	-	-	-	16,272,388	-	-	-
805: Land and Land Rights	-	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-	-
913: Payroll Taxes	96,087	-	-	-	96,087	-	-	-
914: Pension and Benefits	273,662	-	-	-	273,662	-	-	-
915: Injuries and Damages	25,157	-	-	-	25,157	-	-	-
921: Stores Load	52,058	-	-	-	52,058	-	-	-
922: Minor Material Load	-	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-	-
825: Closing Addition	-	(33,801,538)	-	-	(33,801,538)	-	-	-
825: Closing Cost of Removal	-	-	-	-	-	-	-	-
Project Net	34,120,385	(33,620,241)	-	-	500,143	-	-	-

Project No: 98628124 EAM Modernization

	Apr28	May28	Jun28	Jul28	Aug28	Sep28	EndBal-Sep28
110: Straight Time-General	-	-	-	-	-	-	1,201,106
120: Overtime-General	-	-	-	-	-	-	-
350: Material Issues-Major	-	-	-	-	-	-	-
370: Outside Services	-	-	-	-	-	-	13,379,690
374: Outside Services Legal	-	-	-	-	-	-	5,586
377: Outside Svcs-Temp Labor	-	-	-	-	-	-	38,256
391: Jt Proj Bill to PNM -N Lab	-	-	-	-	-	-	-
426: Capitalized Interest	-	-	-	-	-	-	2,957,692
610: Expenses - General	-	-	-	-	-	-	16,272,388
805: Land and Land Rights	-	-	-	-	-	-	-
807: Non Refundable Contrib	-	-	-	-	-	-	-
829: Construction Adjustment	-	-	-	-	-	-	-
903: SJ Switchyard AR-Labor	-	-	-	-	-	-	-
904: SJ Switchyard AR-Other	-	-	-	-	-	-	-
908: Luna AR - Labor	-	-	-	-	-	-	-
909: Luna AR - Other	-	-	-	-	-	-	-
913: Payroll Taxes	-	-	-	-	-	-	96,087
914: Pension and Benefits	-	-	-	-	-	-	273,662
915: Injuries and Damages	-	-	-	-	-	-	25,157
921: Stores Load	-	-	-	-	-	-	52,058
922: Minor Material Load	-	-	-	-	-	-	-
925: E&S Loads	-	-	-	-	-	-	-
926: A&G Loads	-	-	-	-	-	-	-
928: AFUDC Debt	-	-	-	-	-	-	-
929: AFUDC Equity	-	-	-	-	-	-	-
961: Luna A&G PNMR D&V	-	-	-	-	-	-	-
825: Closing Addition	-	-	-	-	-	-	(33,801,538)
825: Closing Cost of Removal	-	-	-	-	-	-	-
Project Net	-	-	-	-	-	-	500,143

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION OF PUBLIC SERVICE COMPANY OF NEW MEXICO FOR REVISION OF ITS RETAIL ELECTRIC RATES PURSUANT TO ADVICE NOTICE NO. 667	)	**Docket No. 26-0000XXX**
PUBLIC SERVICE COMPANY OF NEW MEXICO,	)	
Applicant.	)	

AFFIRMATION

I, Dr. Tobe C. Phelps, submit this unsworn affirmation pursuant to Rule 1.2.2.35(A)(3) and state, upon penalty of perjury under the laws of the State of New Mexico, that I have read the foregoing Direct Testimony and that the statements contained therein are true and correct based on my personal knowledge, information and belief.

Dated: November 24, 2026.

/s/ *Dr. Tobe C. Phelps*
DR. TOBE C. PHELPS

GCG#536041