

**DIRECT TESTIMONY OF  
HENRY E. MONROY  
CASE NO. 25-\_\_\_\_-UT**

**PNM Table HEM-2**

Line No.	Classes	Allocation to Customer Classes	Allocated Annual Credit	# of Customer Bills/Lights	Credit \$/Bill or Light/Month	Total Credit - \$/Bill 48 months
1	Residential Schedule 1	80.000%	\$ (21,000,000)	5,986,642	\$ (3.51)	\$ (168)
2	Small Power Schedule 2	5.198%	\$ (1,364,533)	660,551	\$ (2.07)	\$ (99)
3	General Power Schedule 3B	6.100%	\$ (1,601,286)	35,647	\$ (44.92)	\$ (2,156)
4	General Power LLF Schedule 3C	1.181%	\$ (310,047)	12,595	\$ (24.62)	\$ (1,182)
5	General Power Gov Schedule 3D	0.427%	\$ (112,141)	2,284	\$ (49.11)	\$ (2,357)
6	General Power LLF Gov Schedule 3E	0.059%	\$ (15,386)	725	\$ (21.22)	\$ (1,019)
7	GP Charging Stations Schedule 3F	0.011%	\$ (2,940)	84	\$ (34.95)	\$ (1,678)
8	Large Power Schedule 4	2.988%	\$ (784,298)	2,004	\$ (391.38)	\$ (18,786)
9	Large Service >=8MW Schedule 5	0.050%	\$ (13,096)	12	\$ (1,091.36)	\$ (52,385)
10	Irrigation Schedule 10	0.108%	\$ (28,447)	3,748	\$ (7.59)	\$ (364)
11	Water & Sewage Schedule 11	0.517%	\$ (135,740)	1,800	\$ (75.41)	\$ (3,620)
12	Universities Schedule 15	0.116%	\$ (30,319)	12	\$ (2,526.59)	\$ (121,276)
13	Large Manufacturing Schedule 30	1.726%	\$ (453,026)	12	\$ (37,752.19)	\$ (1,812,105)
14	Station Power Schedule 33B	0.004%	\$ (1,080)	12	\$ (89.96)	\$ (4,318)
15	Large Service >=3MW Schedule 35B	0.356%	\$ (93,424)	42	\$ (2,224.37)	\$ (106,770)
16	Special Service- Renewable Schedule 36B	0.792%	\$ (207,887)	12	\$ (17,323.90)	\$ (831,547)
17	Private Lighting Schedule 6	0.093%	\$ (24,416)	165,919	\$ (0.15)	\$ (7)
18	Streetlighting Schedule 20	0.274%	\$ (71,935)	588,579	\$ (0.12)	\$ (6)
19	Total	100.000%	\$ (26,250,000)	7,460,680		

The rate credit represents a 3.5 percent bill reduction for an average residential customer. At the end of the 48-month credit period, PNM will perform a true-up calculation for the final month's credit to customers and will make a compliance filing with the Commission that demonstrates customers received the full amount of the rate credit. A proposed credit rate rider is attached to my testimony as JA Exhibit HEM-3. If this credit methodology is approved, PNM will file its compliance Advice Notice within 30 days after the Acquisition is closed, assuming final approval of the Joint Application by the Commission.

**Q. What determinants did PNM use to derive the amount per bill for each rate schedule?**

**A.** PNM used customer class counts based on information included in the Test Period in Case No. 24-00089-UT. The Test Period in that case was July 2025 through June 2026. Thus, the proposed determinants of the rate credit align with the current