

## **Organization Charts for Texas-New Mexico Power Company**

**May 24, 2006**

Texas-New Mexico Power Company (“TNMP” - a utility operating company in Texas, New Mexico and Arizona) is a subsidiary of parent company TNP Enterprises, Inc. (“TNP”), which along with Public Service Company of New Mexico (“PNM” – a utility operating company in New Mexico and Arizona) are subsidiaries of PNM Resources, Inc. (“PNMR”), a registered holding company. Both TNMP and PNM are transmission providers. Other subsidiaries of PNMR include PNMR Services Company (“PNMR Services” – a service company that provides services to the operating companies); and several other non-utility subsidiaries (both active and in-active). Other subsidiaries of TNP include First Choice Power, L.P. and First Choice Power Special Purpose, L.P., both Texas limited partnerships (both of whom are licensed retail electric service providers in Texas); and several other non-utility subsidiaries.

TNMP transmission provider services are organizationally located in the Customer and Delivery Services Division of PNM, under the direction of Doug Hobbs, President and CEO of TNMP and Senior Vice President of Customer and Delivery Services – PNMR. A descriptions of this business unit along with organization charts are provided below.

There are a total of 4 organization charts included in this file representing the following areas:

1. PNM Resources Holding Company Organization
2. PNM Customer and Delivery Services Business Unit (which includes the TNMP’s Transmission Provider function)

### **Shared Support Services:**

PNMR Services provides shared support services to all areas of PNMR, including the TNMP and PNM transmission providers. These services include but are not limited to: human resources, legal, accounting, payroll, information technology, and regulatory. In addition, the Safety and Labor Relations group, located in the Customer and Delivery Services Division, also provides shared support services.

### **Customer and Delivery Services:**

Doug Hobbs is President and CEO of TNMP and Senior Vice President of Customer and Delivery Services - PNMR, which includes managerial responsibility for PNM’s and TNMP’s electric transmission operations and reliability function, electric operations and maintenance; gas and electric engineering; distribution engineering; business improvement; and customer and market services, including consolidated electric and gas distribution service throughout PNM’s service territory in New Mexico. His group is also responsible for TNMP operations and engineering; retail electric provider relations in Texas; and regional electric transmission and distribution and all related services in Texas and New Mexico. Mr. Hobbs has managerial responsibility for the maintenance and construction function for PNM’s and TNMP’s high-voltage transmission system (including PNM’s HVDC converter station near Clovis, NM) and PNM’s and TNMP’s local distribution systems. Mr. Hobbs’ organization also performs the construction and maintenance of PNM’s and TNMP’s communications system associated with the operation of the transmission and distribution systems. Transmission assets not under Mr. Hobbs’ managerial oversight are those jointly-owned transmission facilities associated with PNM’s Palo Verde transmission system (Palo Verde-Westwing and Palo Verde-Kyrene), PNM’s San Juan-Vail system (two 345 kV circuits from San Juan Generating Station south to Greenlee) and PNM’s Southwest New Mexico Transmission System (Greenlee to Luna), and TNMP’s ownership in the Eddy County HVDC converter in southern New Mexico. Reporting to Mr. Hobbs with respect to the TNMP transmission Provider function are:

- Vice President of TNMP Market Operations (Neal Walker). Mr. Walker has managerial responsibility for regional transmission and distribution construction and maintenance in Texas, engineering and engineering cost control, ERCOT business management and business improvement, and Texas retail electric provider relations.
- TNMP Business Unit Manager for Western, New Mexico regional electric operations (Teri Gattton).
- TNMP Business Unit Manager for Eastern, New Mexico regional electric operations (David Gottula).
- Vice President of Technical Services for PNM and TNMP (Joel Ivy), who has managerial responsibility for the following PNM and TNMP functions: transmission engineering and operations; substation engineering and design; standards for transmission substations; distribution metering; vegetation management; right of way; business improvement and the actual transmission operations and function. Reporting to Mr. Ivy is:

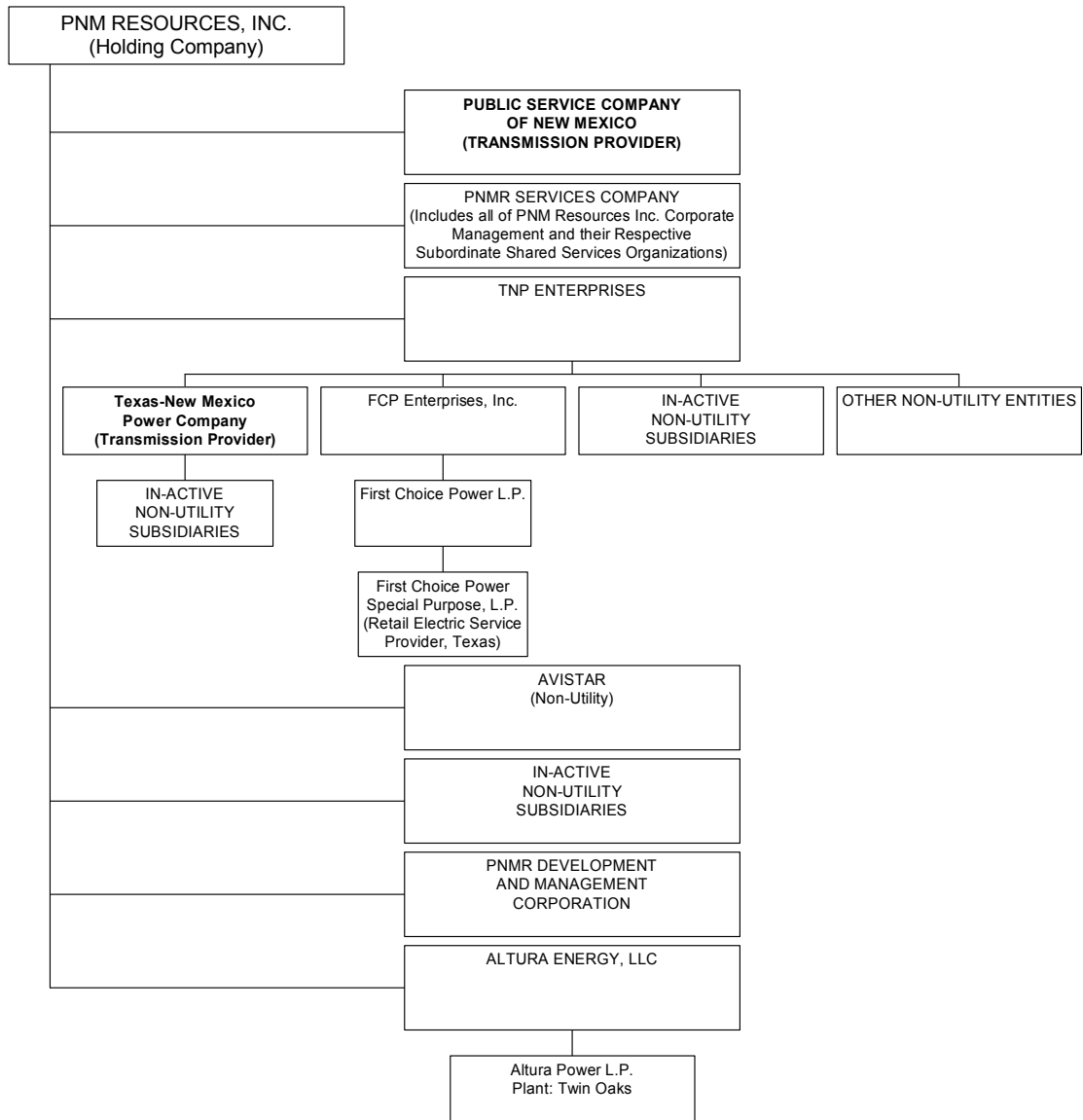
PNM Lead Director of Transmission Operations (Greg Miller). PNM's Transmission Operations Department administers the joint PNM/TNMP Open Access Transmission Tariff (OATT), PNM and TNMP pre-OATT transmission service and interconnection agreements, and all long-term transmission planning functions, including system impact and facility addition studies. Mr. Miller's area is also responsible for system planning and analysis for transmission and distribution systems in New Mexico and Texas, generation interconnections, utility interconnections, electric system planning analysis for native load requirements, and transmission system operations in New Mexico and Texas. Reporting to Mr. Miller is:

TNMP Director of System Operations (Gerald Mooney). TNMP's System Operations Department is responsible for: TNMP's electric transmission power operations; TNMP electric distribution operations and dispatch and SCADA telecommunications and control. Mr. Mooney's area ensures TNMP's load requirements in Texas and New Mexico are adequately met and administers TNMP's Open Access Same-Time Information System, and handles all real-time transmission inter-utility communications.

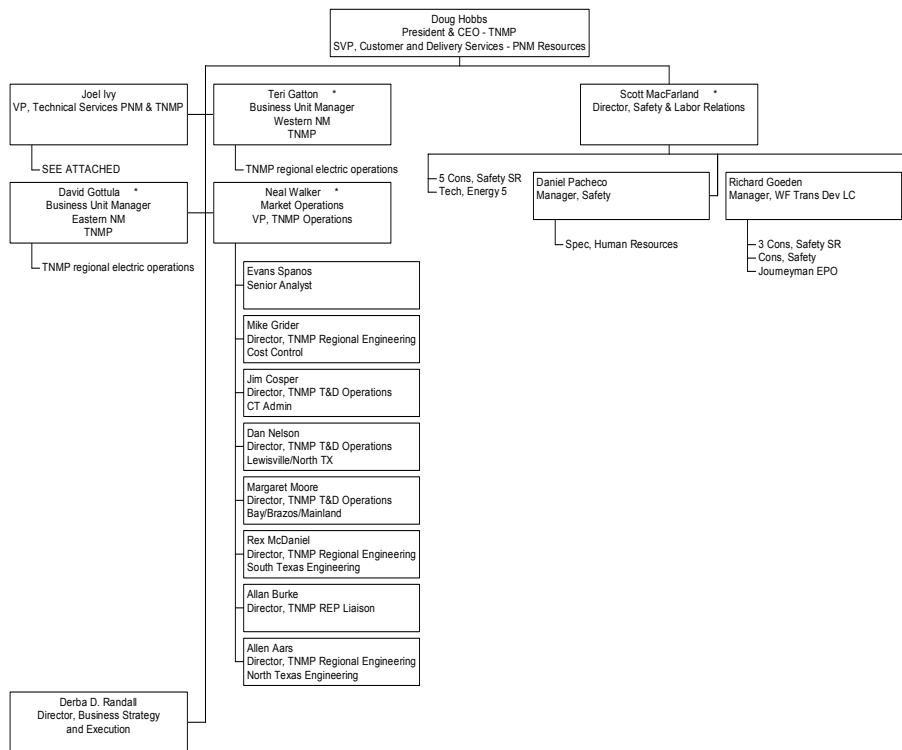
Mr. Hobbs' reports also include a Director of Business Strategy and Execution (Debra Randall), and a Director of Safety and Labor Relations (Scott Mac Farland).

TNMP has posted separate job titles and job descriptions for TNMP transmission function employees shown in these organization charts.

# PNM Resources, Inc.

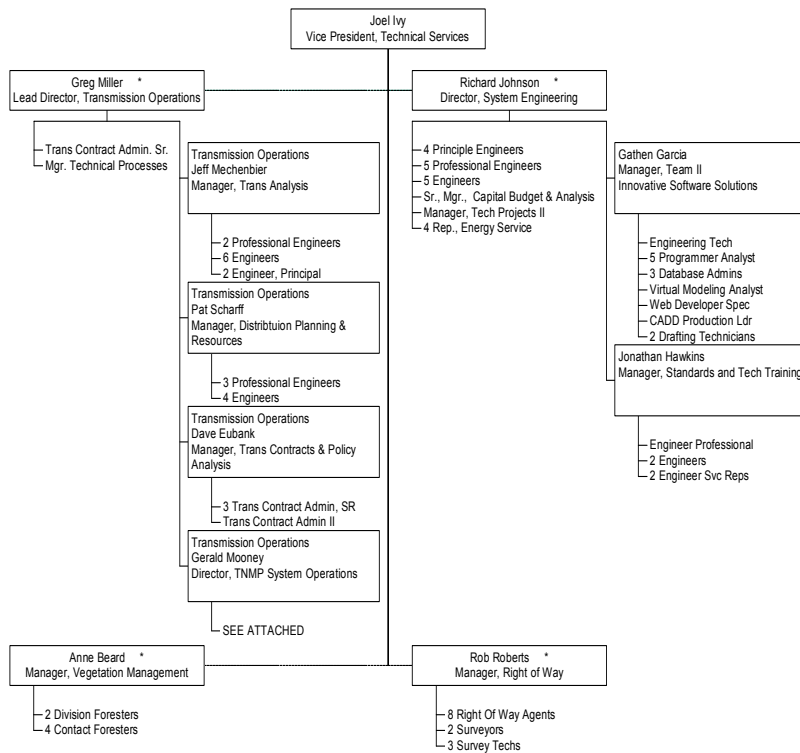


# TNMP Transmission Provider Services



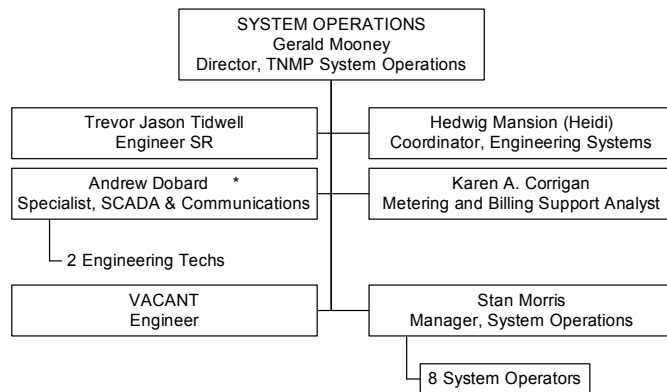
\* NOTE: TNMP Operations business unit provides retail provider relations and field and maintenance services in Texas. TNMP Easter NM and TNMP Western NM business units provide retail service and field and maintenance services in New Mexico. TNMP has not included subordinate supervisors and employees for these business units. Safety and Labor Relations provides shared support services.

# TNMP Transmission Provider Services



\* NOTE: Transmission Operations, Right-of-Way, Vegetation Management and System Engineering are PNM groups that provide support services to TNMP Transmission Operations through a Services Agreement.

# TNMP Transmission Provider Services



\* NOTE: SCADA and Communications is considered Field and Maintenance and TNMP has not included subordinate employees for this group.