

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF PUBLIC SERVICE)
COMPANY OF NEW MEXICO'S)
ABANDONMENT OF SAN JUAN)
GENERATING STATION UNITS 1 AND 4)**

Case No. 19-00018-UT

REBUTTAL TESTIMONY

OF

HENRY E. MONROY

November 15, 2019

**NMPRC CASE NO. 1900018-UT
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HENRY E. MONROY**

**WITNESS FOR
PUBLIC SERVICE COMPANY OF NEW MEXICO**

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AFFIDAVIT

**REBUTTAL TESTIMONY
OF HENRY E. MONROY
NMPRC CASE NO. 19-00018-UT**

1

I. INTRODUCTION

2 **Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

3 **A.** My name is Henry E. Monroy. I am the Controller, Utility Operations. My
4 address is Public Service Company of New Mexico, 414 Silver SW, Mail Stop
5 0915, Albuquerque, NM 87102.

6

7 **Q. HAVE YOU FILED PRIOR TESTIMONY IN THIS PROCEEDING?**

8 **A.** Yes. I filed Direct Testimony in support of PNM's Application on July 1, 2019. I
9 also filed Direct Errata Testimony on September 20, 2019.

10

11 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

12 **A.** The purpose of my rebuttal testimony is to respond to various recommendations
13 by the New Mexico Public Regulation Commission's ("NMPRC" or
14 "Commission") Utility Division Staff ("Staff"), the New Mexico Attorney
15 General ("NMAG"), New Mexico Affordable Reliable Energy Alliance ("NM
16 AREA"), and Western Resources Advocates ("WRA") made through direct
17 testimony filed October 18, 2019, in this case.

18

19 **Q. WHAT SPECIFIC RECOMMENDATIONS IS YOUR REBUTTAL**
20 **TESTIMONY ADDRESSING?**

21 **A.** I will be addressing the following issues:

22 1. The proposed cost limitations or caps on recoverable abandonment costs.

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- 1 2. The recommended denied recovery of certain severance and job training costs.
- 2 3. The recommended denied recovery of incremental coal mine reclamation and
- 3 plant decommissioning costs associated with the early abandonment of the
- 4 San Juan coal plant.
- 5 4. The recommendation that in the event PNM does not adjust base rates at the
- 6 same time it begins to collect the Energy Transition Charge, PNM include all
- 7 revenue requirement components in its proposed regulatory liability rather
- 8 than the return on and return of the undepreciated investment of San Juan coal
- 9 plant.
- 10 5. The recommendation to create a rate mechanism to adjust customer bills
- 11 immediately after PNM begins collecting the Energy Transition Charge from
- 12 customers.
- 13 6. The recommendation to deny recovery of costs associated with the
- 14 abandonment of San Juan coal plant not collected through the Energy
- 15 Transition Charge and for the Commission to determine ratemaking treatment
- 16 for ongoing operating costs and excess deferred income taxes (“EDIT”) in
- 17 PNM’s future general rate case.
- 18 7. The recommended debt-only carrying charges on requested regulatory assets
- 19 and the true-up of energy transition costs pursuant to Section 4(B)(10).
- 20 8. The treatment of ADIT related to qualifying energy transition costs.
- 21

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1 **II. RECOMMENDATIONS ON COSTS RECOVERED THROUGH THE**
2 **ENERGY TRANSITION CHARGE IF THE ENERGY TRANSITION ACT**
3 **DOES APPLY**

4 **Q. WHAT LIMITATIONS OR CAPS ON RECOVERABILITY ARE**
5 **PROPOSED BY OTHER WITNESSES IN THIS CASE?**

6 **A.** NMAG Witness Andrea Crane recommends the Commission apply a \$375
7 million cap to abandonment costs subject to true-up under Section 4(B)(10) of the
8 Energy Transition Act (Crane Direct Testimony page 9, line 10).

9
10 **Q. DO YOU AGREE WITH NMAG WITNESS CRANE'S PROPOSAL TO**
11 **PLACE A CAP ON THE TRUE-UP OF ACTUAL ABANDONMENT**
12 **COSTS?**

13 **A.** No. Section 2(H)(2) of the Energy Transition Act that NMAG Witness Crane
14 relies on is specific to costs recovered through the Energy Transition Charge and
15 should not be applied to future prudent costs that PNM incurs and seeks to
16 recover through base rates. The Energy Transition Act determines the amounts
17 that may be subject to a securitized financing and is not a cap on cost recovery.
18 Section 4(F) states that if energy transition costs, which include abandonment
19 costs, are not recovered pursuant to the Energy Transition Act, then those costs
20 may be recovered pursuant to other applicable provisions of the Public Utility
21 Act. In this regard, PNM has proposed to request recovery in future rate
22 proceedings for any San Juan coal plant abandonment costs that have not
23 previously been collected from customers or financed through energy transition

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1 bonds. PNM has also proposed to refund any amounts that are lower than the
2 costs estimated and collected from customers or financed through energy
3 transition bonds in future rate proceedings.

4
5 **Q. WHAT SEVERANCE AND JOB TRAINING COSTS ARE**
6 **RECOMMENDED TO BE DISALLOWED?**

7 **A.** NMAG Witness Crane recommends the Commission disallow approximately \$5.4
8 million of estimated severance and job training costs associated with PNMR
9 Services employees and San Juan Coal Mine employees (Crane Direct Testimony
10 page 9, line 1).

11
12 **Q. PLEASE DESCRIBE NMAG WITNESS CRANE'S REASONING FOR**
13 **DISALLOWING APPROXIMATELY \$5.4 MILLION OF SEVERANCE**
14 **AND JOB TRAINING.**

15 **A.** As calculated in NMAG Witness Crane's Exhibit ACC-2 and discussed starting
16 on page 30 of her direct testimony, there are two components to the \$5.4 million
17 adjustment Crane is proposing.

18
19 First, she proposes a \$1.7 million reduction for severance costs for PNMR
20 Services employees and job training costs for both PNM and San Juan Coal Mine
21 employees. She bases this adjustment by claiming that PNM should only be
22 allowed to recover 58.7% of these costs based on PNM's current common
23 ownership share of San Juan coal plant, excluding the 65 MW of SJGS Unit 4.

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1 Second, she proposes to reduce severance costs for San Juan Coal Mine
2 employees by \$3.7 million. This reduction is based on Crane's calculation, in her
3 Exhibit ACC-3, of estimated severance costs of the San Juan Coal Mine
4 employees reduced for a portion paid by the San Juan Coal Mine and further
5 reduced to PNM's 58.7% ownership share of the San Juan coal plant.

6
7 **Q. DO YOU AGREE WITH NMAG WITNESS CRANE'S PROPOSAL TO**
8 **DISALLOW RECOVERY OF APPROXIMATELY \$5.4 MILLION OF**
9 **ESTIMATED SEVERANCE AND JOB TRAINING COSTS?**

10 **A.** No. The application of the 58.7% is not appropriate because the PNMR Services
11 employee severance costs, and PNM and the San Juan Coal Mine job training
12 costs are not allowed to be recovered from the other San Juan coal plant owners,
13 under the current participation agreement and therefore, are not eligible to be
14 recovered or paid for by the other San Juan coal plant owners. PNM bears 100%
15 of these costs. NMAG Witness Crane does acknowledge the participation
16 agreements do not contemplate severance and job training costs for non-San Juan
17 coal plant employees (page 31, line 18). NMAG Witness Crane's additional
18 recommended disallowance of approximately \$3.7 million estimated San Juan
19 Coal Mine severance costs should also be rejected since PNM would incur 100%
20 of these costs, as discussed further in the rebuttal testimony of PNM Witness
21 Ronald N. Darnell. These funds are specifically authorized as recoverable
22 through the issuance of energy transition bonds by the qualifying utility in Section
23 2(H)(2)(b) of the Energy Transition Act.

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1 **Q. WHAT RECOMMENDATIONS DOES WRA WITNESS HOWE**
2 **PROPOSE IN REGARD TO INCREMENTAL COAL MINE**
3 **RECLAMATION AND PLANT DECOMMISSIONING COSTS?**

4 **A.** WRA Witness Howe (pages 13 – 15) proposes that if the closure of the San Juan
5 coal plant is not finalized prior to the final order in this case, the Commission
6 should not allow PNM to include the incremental coal mine reclamation and plant
7 decommissioning in energy transition costs collected through the Energy
8 Transition Charge. WRA Witness Howe’s proposal is based on the notion that
9 future reclamation and decommissioning costs will be uncertain and therefore
10 PNM cannot accurately estimate these costs.

11

12 **Q. DO YOU AGREE WITH WRA WITNESS HOWE’S PROPOSED**
13 **TREATMENT OF INCREMENTAL COAL MINE RECLAMATION AND**
14 **PLANT DECOMMISSIONING COSTS?**

15 **A.** No. PNM’s estimated coal mine reclamation and plant decommissioning costs
16 are based on the best available information at the time of its application and
17 testimony in this case. WRA Witness Howe is concerned that if the plant was to
18 be operated by another entity beyond July 1, 2022, then PNM’s coal mine
19 reclamation and plant decommissioning liabilities could be less than the amounts
20 PNM is proposing to include in the securitization costs. PNM’s proposed true-up
21 mechanism, as discussed in my direct testimony, addresses this concern and
22 protects customers from paying more than the actual coal mine reclamation and
23 plant decommissioning costs prudently incurred by the Company.

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1 **Q. CAN YOU COMMENT ON WRA WITNESS HOWE’S PROPOSED**
2 **TREATMENT OF TRAINING AND SEVERANCE COSTS?**

3 **A.** Howe’s testimony (page 16) provides that if the Commission chooses to include
4 these amounts in the total securitization, then PNM should be required to file a
5 proposal on the ratemaking to be used for the reconciliation of these costs in the
6 event they are not needed. PNM’s proposed true up mechanism as discussed in
7 my direct testimony, addresses this concern and protects customers from paying
8 more than the actual job training and severance costs incurred by the Company
9 for the San Juan coal plant employees and coal mine workers. PNM Witness
10 Darnell responds to WRA Witness Howe’s concerns related to the early funding
11 of training and severance costs that are applicable to San Juan Coal Mine
12 employees.

13
14 **Q. WHAT RECOMMENDATIONS ARE MADE IN REGARD TO PNM’S**
15 **PROPOSED RATEMAKING TO RECORD A REGULATORY**
16 **LIABILITY IN THE EVENT PNM BEGINS TO COLLECT THE ENERGY**
17 **TRANSITION CHARGE BEFORE BASE RATES CAN BE ADJUSTED**
18 **PURSUANT TO SECTION 4(B)(11) OF THE ENERGY TRANSITION**
19 **ACT?**

20 **A.** NMAG Witness Crane, NM AREA Witness Dauphinais, and WRA Witness
21 Howe propose that the regulatory liability reflect the full revenue requirement for
22 the San Juan coal plant, not just the revenue requirement associated with the
23 undepreciated investment. Additionally, Dauphinais (page 21) and Howe (page

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1 8) recommend that the Commission approve a rate mechanism to allow PNM to
2 credit customer bills to account for the abandonment of the San Juan coal plant at
3 the same time PNM begins to collect the Energy Transition Charge from
4 customers.

5
6 **Q. DO YOU AGREE WITH THE RATEMAKING RECOMMENDATIONS**
7 **REGARDING THE CREATION OF A REGULATORY LIABILITY?**

8 **A.** No. I disagree with their recommendations concerning the inclusion of all costs
9 in the regulatory liability that PNM has proposed. As discussed on page 39 of my
10 direct testimony, Section 4(B)(11) of the Energy Transition Act requires PNM to
11 propose a ratemaking method to reduce its cost of service with the amount of
12 undepreciated investments being recovered by the Energy Transition Charge at
13 the time the charge becomes effective. PNM interprets this to mean the return on
14 and return of the undepreciated net book value of the San Juan coal plant. The
15 Energy Transition Act limits the required ratemaking method to “undepreciated
16 investment” in Section 4(B)(11), and does not identify other cost of service
17 components associated with the abandonment of a qualifying generating facility.
18 The Energy Transition Charge will provide recovery of the undepreciated
19 investment and it is appropriate to protect customers from paying twice for the
20 undepreciated investment. I acknowledge that there will be other underlying
21 changes to the Company’s cost of service beyond the return on and of the
22 undepreciated investment that are included in the utilities cost of service.
23 However, the Energy Transition Act does not contemplate that operating expenses

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1 such as O&M, property taxes and accretion expense should be treated any
2 differently than any other cost component used to set PNM's current rates. The
3 Energy Transition Act also does not provide for a qualifying utility to propose a
4 ratemaking treatment to allow the recovery of operating expenses for the new
5 replacement power resources that would be necessary upon the abandonment of a
6 qualifying generating facility. PNM will certainly have increased operating
7 expenses associated with new replacement power resources and will need to file a
8 general rate review filing to begin to collect those costs from customers. The
9 overall operating costs and revenue requirements of PNM should be reviewed in a
10 general rate review and the Commission should not apply piecemeal ratemaking
11 to these discrete items.

12
13 The proposal made by the intervenors is also one-sided, and omits a similar
14 deferral for the new incremental costs PNM will incur associated with
15 replacement power resources. A symmetrical treatment to the proposal made by
16 the intervenors would be to allow PNM to defer operating expenses associated
17 with replacement power resources for later recovery. However, PNM is not
18 proposing to defer operating expenses associated with replacement power until
19 such time PNM is able to reflect those in base rates and has proposed the similar
20 treatment related to the operating expenses associated with the San Juan coal
21 plant. Adjusting the cost of service for all such changes uniformly in a future
22 rate case is consistent with the Commission's rate treatment for similar resource

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1 portfolio changes associated with the retirement of San Juan coal plant Units 2
2 and 3.

3

4 **Q. DO YOU AGREE WITH THE RATEMAKING RECOMMENDATIONS**
5 **TO USE A RATE MECHANISM TO CREDIT CUSTOMER BILLS**
6 **RATHER THAN A REGULATORY LIABILITY WHEN PNM BEGINS**
7 **COLLECTING THE ENERGY TRANSITION CHARGE FROM**
8 **CUSTOMERS?**

9 **A.** Yes, I agree with the recommendations from Witnesses Dauphinais and Howe to
10 create a rate mechanism to adjust customers' bill immediately after PNM begins
11 collecting the Energy Transition Charge from customers. However, as stated
12 above, I do not agree with the components to be included in the rate mechanism.
13 The credit would be calculated by determining the annual revenue requirements
14 associated with the return on and return of the undepreciated investment of the
15 San Juan coal plant equal to the amount financed through the issuance of energy
16 transition bonds. The implementation of the credit would eliminate the need to
17 accumulate carrying charges on the calculated balance in a regulatory liability, as
18 customers would begin to see the reduction in amounts paid to coincide with the
19 implementation of the Energy Transition Charge. This credit would be an interim
20 rate adjustment mechanism and would be eliminated when new rates reflecting
21 the change in resources go into effect.

22

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1 **Q. WHAT RECOMMENDATIONS ARE MADE BY THE NMAG IN**
2 **REGARD TO RECOVERABILITY OF COSTS NOT REQUESTED TO BE**
3 **FINANCED THROUGH THE ISSUANCE OF ENERGY TRANSITION**
4 **BONDS?**

5 **A.** NMAG Witness Crane recommends the Commission disallow costs not proposed
6 to be financed and recovered through the Energy Transition Charge. This includes
7 costs for the requests for proposals, obsolete San Juan coal plant inventory,
8 external legal costs and carrying costs on prepayments of Section 16 costs,
9 severances and job training costs. Witness Crane also recommends that the
10 Commission determine ratemaking treatment for ongoing operating costs and
11 excess deferred income taxes in PNM's future general rate case.

12

13 **Q. DO YOU AGREE WITH NMAG WITNESS CRANE'S**
14 **RECOMMENDATION TO DISALLOW RECOVERY OF COSTS NOT**
15 **REQUESTED THROUGH THE ENERGY TRANSITION CHARGE?**

16 **A.** No. NMAG Witness Crane references a balancing of interests between
17 shareholders and customers to justify disallowing PNM's recovery of reasonably
18 incurred costs associated with the abandonment of an operating unit.
19 Disallowance of validly incurred costs that are not financed through the bond
20 issuance is not a means to balance the interests of customers and shareholders.
21 The proposal to disallow costs is a punitive measure as there is no evidence
22 provided by the NMAG that the costs being sought for recovery were imprudently
23 incurred. There should not be a penalty for taking a course of action which is

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1 beneficial to our customers by lowering costs. Also, the Energy Transition Act
2 specifically identifies that energy transition costs can be financed through
3 securitized bonds and does not indicate an intent to disallow any other costs
4 incurred by the utility as the result of the abandonment of a generating facility.
5

6 **Q. DO YOU HAVE ANY ADDITIONAL COMMENTS ON NMAG'S**
7 **PROPOSED DISALLOWANCE OF THE REQUESTED REGULATORY**
8 **ASSETS?**

9 **A.** Yes. NMAG Witness Crane also claims the requested regulatory assets to recover
10 the carrying costs on the prepayments of Section 16 payments, the external legal
11 costs associated with closure of San Juan coal plant and the costs incurred in the
12 RFP and regulatory approval costs do not rise to the level for special regulatory
13 treatment (pages 45, 47, and 48). I disagree with this claim. There is little
14 disagreement that the proposed abandonment of San Juan coal plant being sought
15 in this filing is a significant event. It is difficult to argue that the abandonment of
16 the San Juan coal plant does not constitute a momentous shift in PNM's resource
17 portfolio undertaken to provide benefits to customers. PNM is incurring one-time
18 costs associated with the abandonment of the San Juan coal plant and replacement
19 power resources used to serve our customers and has requested establishment of
20 regulatory assets to recover these costs consistent with the standards set by the
21 Commission for regulatory assets. In addition PNM's customers are benefitting
22 through lower costs as the result of the proposed abandonment. PNM should be

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1 allowed recovery of these costs as regulatory assets because they are necessary to
2 deliver the significant overall cost savings to our customers.

3
4 **Q. CAN YOU COMMENT ON THE NMAG ADDITIONAL CLAIM FOR**
5 **DENIAL OF CARRYING COSTS ASSOCIATED WITH THE ADVANCE**
6 **PAYMENTS OF SECTION 16 COSTS AND JOB TRAINING?**

7 **A.** NMAG Witness Crane states: “They should not also be required to provide
8 PNM’s shareholders with carrying costs on these payments, since such carrying
9 costs would inure only to the benefit of shareholders and not the intended
10 recipients of the Section 16 costs or to ratepayers.” I disagree with the
11 characterization of these carrying costs. PNM has requested carrying costs on the
12 advanced payments to reflect the costs that PNM is incurring by providing these
13 funds ahead of receiving recovery. The carrying costs reimburse the Company
14 for the costs incurred to provide the advanced funds to the affected communities
15 and workers. Any investment, or in this instance, advanced payments related to
16 Section 16 costs of the Energy Transition Act or job training as contemplated by
17 Section 2(H)(2) of the Energy Transition Act, is funded by both debt and equity,
18 which has an associated cost (referred to as cost of capital). The proposed
19 carrying charges are covering the cost of capital needed to make these payments.
20 The carrying costs do not benefit shareholders, but rather compensate the
21 company for its cost of capital. I acknowledge that a portion of that cost includes
22 a return to shareholders, which is the cost of equity, that shareholders require to

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1 invest their money in the Company. PNM Witness Darnell further addresses the
2 early payment of costs in his Rebuttal Testimony.

3

4 **Q. PLEASE DESCRIBE NMAG WITNESS CRANE'S RECOMMENDATION**
5 **TO ADDRESS THE ONGOING OPERATING COSTS AND EDIT IN**
6 **PNM'S FUTURE GENERAL RATE REVIEW.**

7 **A.** NMAG Witness Crane discusses that certain on-going operating costs and EDIT
8 should be addressed in a future general rate review. She recommends that the
9 order in this case include language that the ongoing costs are in no way approved
10 in this proceeding and should be addressed in a future rate proceeding.

11

12 **Q. DO YOU AGREE WITH NMAG WITNESS CRANE'S**
13 **RECOMMENDATION TO ADDRESS THE ONGOING OPERATING**
14 **COSTS AND EDIT IN PNM'S FUTURE GENERAL RATE REVIEW?**

15 **A.** Yes. PNM is not requesting specific ratemaking treatment for these costs in this
16 case. PNM agrees that a general rate review is the proper setting to determine the
17 reasonableness of ongoing operating costs and EDIT.

18

19 **Q. WHAT RECOMMENDATIONS ARE MADE BY NM AREA IN REGARD**
20 **TO CARRYING CHARGES ON REGULATORY ASSETS AND**
21 **LIABILITIES PROPOSED?**

22 **A.** NM AREA Witness Dauphinais recommends the Commission approve carrying
23 charges on requested regulatory assets for advance funding of severance and job

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1 training, and obsolete inventory equal to PNM's cost of debt (page 5).
2 Dauphinais also recommends the Commission order PNM to record carrying
3 charges on the true up regulatory asset or liability associated with the difference
4 between actual energy transition costs incurred and the energy transition costs
5 recovered under the Energy Transition Charge at PNM costs of debt (page 5).

6

7 **Q. DO YOU AGREE WITH NM AREA WITNESS DAUPHANIAIS'**
8 **RECOMMENDATION TO CALCULATE CARRYING CHARGES BASED**
9 **ON PNM'S COST OF DEBT RATHER THAN ITS FULL WEIGHTED**
10 **AVERAGE COST OF CAPITAL ("WACC")?**

11 **A.** No. As I discussed earlier, PNM's cost of debt does not properly represent the
12 total costs incurred by PNM associated with these items. Amounts collected
13 through the Energy Transition Charge do provide for recovery at a low cost of
14 debt. However, the amounts being discussed here are not subject to recovery
15 under the Energy Transition Charge, and instead will be subject to recovery under
16 traditional ratemaking principles in future general rate reviews. Therefore, it is not
17 appropriate to limit the carrying charges on these amounts to a cost of debt, as the
18 cost of debt does not reflect the total cost the utility incurs under traditional
19 ratemaking.

20

21 **Q. CAN YOU COMMENT ON NM AREA WITNESS GORMAN'S**
22 **SUGGESTION THAT AN ADDITIONAL CONDITION SHOULD BE**

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1 **IMPOSED CONCERNING ADIT BALANCES ASSOCIATED WITH**
2 **ENERGY TRANSITION COSTS?**

3 **A.** In my direct testimony I described the disposition of the Accumulated Deferred
4 Income Tax Balances (“ADIT”) associated with retired plant investment. My
5 direct testimony (p. 42 ln 13 through p. 43 ln 12) describes how retiring the San
6 Juan coal plant for book and tax purposes will cause the associated ADIT liability
7 to be reversed, as the deferred balances will become currently payable. The
8 creation of a regulatory asset equal to the net book value of the retired asset will
9 give rise to an ADIT liability balance equal to the net book value times the
10 combined statutory tax rate because the regulatory asset will have zero tax basis.
11 As PNM customers are paying for the Energy Transition Charge that recovers the
12 net book value through the energy transition property, the ADIT generated from
13 this transaction will reverse. PNM will include the ADIT liability balance in rate
14 base, which will lower the Company's overall rate base and lower revenue
15 requirements. PNM will also include the ADIT liability created and associated
16 with the other energy transition property transferred to the Special Purpose Entity
17 as a reduction to rate base. Mr. Gorman identifies no disagreement with this
18 treatment, and I do not believe there is a need for an additional regulatory
19 condition.

20

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1

III. CONCLUSION

2 **Q. PLEASE SUMMARIZE YOUR RESPONSES TO THE ACCOUNTING**
3 **RECOMMENDATIONS AND CONCERNS RAISED BY OTHER**
4 **WITNESSES.**

5 **A.** My testimony addresses the accounting recommendations and concerns raised by
6 various witnesses. I believe that PNM's proposal incorporates appropriate
7 treatment of costs associated with the abandonment of the San Juan coal plant
8 either through the securitized financing of energy transition costs or through
9 proposed ratemaking treatments. I have incorporated recommendations for a rate
10 mechanism to adjust customers' bill immediately after PNM begins collecting the
11 Energy Transition Charge from customers (although I disagree with the additional
12 components proposed by other witnesses to be included in the rate mechanism), I
13 am also in agreement with treatment of ADIT related to energy transition costs,
14 which will be included in rate base in future rate review filings, and that no
15 ratemaking treatment should be determined regarding operating costs and EDIT
16 related to San Juan coal plant in this proceeding and should be addressed in a
17 general rate review proceeding. The other recommendations of parties should be
18 rejected based on the information presented in my direct and rebuttal testimonies.

19

20 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

21 **A.** Yes, it does.

GCG#526363

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

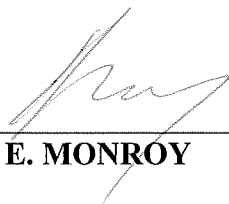
**IN THE MATTER OF PUBLIC SERVICE)
COMPANY OF NEW MEXICO'S)
ABANDONMENT OF SAN JUAN) **Case No. 19-00018-UT**
GENERATING STATION UNITS 1 AND 4)**

AFFIDAVIT

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

HENRY E. MONROY, Controller, Utility Operations at PNMR Services Company, upon being duly sworn according to law, under oath, deposes and states: I have read the foregoing **Rebuttal Testimony of Henry E. Monroy** and it is true and correct based on my personal knowledge and belief.

SIGNED this 14th day of November, 2019.



HENRY E. MONROY

SUBSCRIBED AND SWORN to before me this 14th day of November, 2019.



OFFICIAL SEAL
TANYA D. ARAGON
NOTARY PUBLIC - STATE OF NEW MEXICO
My commission expires January 31, 2023



**NOTARY PUBLIC IN AND FOR
THE STATE OF NEW MEXICO**

My Commission Expires:

January 31, 2023