PNM Resources Reports 2011 First Quarter Results

Texas operations drive quarterly performance; Competitive operations provided natural hedge

FIRST QUARTER SUMMARY

- GAAP (generally accepted accounting principles) earnings of $0.18 per diluted share, compared with losses of $0.09 per diluted share in 2010
- Ongoing earnings of $0.04 per diluted share, compared with $0.06 per diluted share in 2010

ALBUQUERQUE, N.M.--(BUSINESS WIRE)-- PNM Resources (NYSE: PNM) today reported unaudited 2011 first quarter consolidated GAAP earnings of $16.6 million, or $0.18 per diluted share, compared with 2010 losses of $8.4 million, or $0.09 per diluted share.

Quarterly unaudited, consolidated ongoing earnings were $3.4 million, or $0.04 per diluted share, compared with $5.5 million, or $0.06 per diluted share, in 2010. Ongoing earnings exclude various special items, but include the post-impairment losses of Optim Energy in order to reflect the company's continued involvement in the competitive market.

Reconciliations of GAAP to non-GAAP measures such as ongoing earnings and EBITDA (earnings before interest charges, income taxes, depreciation and amortization) are shown on the attached schedules 1 through 5.

"Two of our Texas operations, TNMP and First Choice Power, drove our quarterly results," said Pat Vincent-Collawn, PNM Resources president and CEO. "Last year's transmission rate increase and new retail rates that went into effect in February have aligned costs with consumer rates, which resulted in strong performance for TNMP. First Choice Power continued to lower its bad-debt expense and demonstrate sustainable results.

"The retail operations of PNM showed improved load growth, quarter-over-quarter, and the utility also benefitted from the second phase of the rate case filed in 2008," Vincent-Collawn said. "Next week PNM will present its case before a hearing examiner regarding the rate increase stipulation we reached earlier this year with key parties. We believe the stipulation appropriately balances the need for adequate, timely recovery of costs and the impact to customers. If approved, the stipulation would put PNM on a clear path that would ensure continued infrastructure investment and the opportunity to improve its credit metrics.

"In addition, our competitive businesses complemented each other in a challenging Texas market," she said. "We saw the natural hedge between First Choice Power and Optim Energy demonstrate its value during the cold snap in February. Demand increased during that time and power prices pushed upward, causing First Choice Power to purchase higher-priced power while creating an opportunity for Optim Energy to increase sales margins."

Quarterly financial materials are available at http://www.pnmresources.com/investors/results.cfm.

SEGMENT REPORTING OF 2011 FIRST QUARTER EARNINGS

Regulated Businesses

PNM — *a vertically integrated electric utility in New Mexico with distribution, transmission and generation assets.*

- PNM reported ongoing earnings of $0.8 million, or $0.01 per diluted share, compared with earnings of $1.7 million, or $0.02 per diluted share, in 2010. GAAP earnings were $3.6 million, or $0.04 per diluted share, compared with of $4.3 million, or $0.05 per diluted share.
- Milder weather and the expiration of the wholesale tolling agreement from Palo Verde Nuclear Generating Station Unit 3 were partially offset by lower outage costs, weather-normalized load growth of 2.2 percent and higher retail rates associated with the second phase of the 2008 rate case.

TNMP — *an electric transmission and distribution utility in Texas.*

- TNMP reported ongoing and GAAP earnings of $4.2 million, or $0.05 per diluted share, compared with $1.6 million, or $0.02 per diluted share, in 2010.
- Higher retail and transmission rates, along with weather-normalized load growth of 2.0 percent, improved quarterly earnings.

Competitive Businesses

First Choice Power — *a competitive retail electric provider in Texas.*

- First Choice Power reported ongoing earnings of $7.6 million, or $0.08 per diluted share, compared with ongoing earnings of $10.4 million, or $0.11 per diluted share, in 2010. GAAP earnings were $13.5 million, or $0.15 per diluted share, compared with 2010 losses of $7.5 million, or $0.08 per diluted share, last year.
- A 3.4 percent increase in sales volumes, combined with lower bad-debt expense, was more than offset by lower customer prices, compared with last year. First Choice Power reduced its quarterly bad-debt expense 22.5 percent, from $5.8 million last year to $4.5 million in 2011.

Optim Energy — *jointly owned by PNM Resources and a subsidiary of Cascade Investment, L.L.C., Optim Energy owns interests in three generating assets in Texas, totaling nearly 1,200 megawatts.*

- PNM Resources' share of Optim Energy net ongoing losses was $4.5 million, or $0.05 per diluted share, compared with 2010 losses of $3.9 million, or $0.04 per diluted share.
- As previously reported, PNM Resources fully impaired its investment in Optim Energy at Dec. 31, 2010, and reduced the carrying value of that investment to zero. In accordance with GAAP, the post-impairment losses of Optim Energy are not reflected in PNM Resources' 2011 GAAP earnings. In 2010, PNM Resources' share of Optim Energy net GAAP losses was $2.6 million, or $0.03 per diluted share.
- PNM Resources' share of Optim Energy's ongoing EBITDA was $3.5 million, compared with $4.9 million in 2010. Ongoing EBITDA decreased primarily because of the expired power sales contract associated with Twin Oaks, which was partially offset by higher margins achieved during the February cold snap, sales of excess emission credits and lower operations and maintenance costs.

Corporate/Other — *a segment that reflects costs at the PNM Resources holding company, mainly comprised of interest expense related to debt. For the purposes of this news release, the Corporate/Other segment excludes the results of Optim Energy reported above.*

- Corporate/Other reported ongoing and GAAP losses of $4.7 million, or $0.05 per diluted share, compared with 2010 ongoing and GAAP losses of $4.3 million, or $0.05 per diluted share.

2011 GUIDANCE RANGE

PNM Resources today affirmed its 2011 financial outlook. Management expects 2011 consolidated ongoing earnings to be in the range of $0.80 to $0.92 per diluted share and 2011 cash earnings to be in the range of $365 million and $390 million.

Management also affirmed the 2011 ongoing EBITDA (earnings before interest, taxes, depreciation and amortization) guidance ranges for First Choice Power of $43 million to $53 million and for Optim Energy of $20 million to $30 million, which represents 100 percent of Optim Energy's estimated results. PNM Resources owns a 50-percent interest in Optim Energy.

FIRST QUARTER EARNINGS CALL: 11 AM EASTERN TODAY

PNM Resources will discuss first quarter earnings results during a live conference call and Web cast **today at 11 a.m. Eastern**. Speaking on the call will be Pat Vincent-Collawn, PNM Resources president and CEO, and Chuck Eldred, PNM Resources executive vice president and CFO.

A live webcast of the call will be archived at http://www.pnmresources.com/investors/events.cfm. Listeners are encouraged to visit the Web site at least 30 minutes before the event to register, download and install any necessary audio software.

Investors and analysts can participate in the live conference call by dialing (877) 377-7098 or (631) 291-4547 five to 10 minutes prior to the event and referencing "the PNM Resources first quarter earnings conference call." A telephone replay will be available at 1 p.m. Eastern until midnight May 20 by dialing (800) 642-1687 or (706) 645-9291 and using confirmation code 61461922. Supporting material for PNM Resources' earnings announcements can be viewed and downloaded at http://www.pnmresources.com/investors/results.cfm.

E-MAIL ALERTS, RSS FEEDS AVAILABLE

PNM Resources encourages analysts, investors and other interested parties to visit www.PNMResources.com and register to automatically receive company financial information by e-mail or RSS feeds. Once registered, participants can choose from a menu to automatically receive information, including news releases, notices of webcasts and filings with the U.S. Securities and Exchange Commission. Participants can unsubscribe at any time and will not receive information that was not requested.

Background:

PNM Resources (NYSE: PNM) is an energy holding company based in Albuquerque, N.M., with 2010 consolidated operating revenues of $1.7 billion. Through its utility and energy subsidiaries, PNM Resources has approximately 2,630 megawatts of generation capacity and serves electricity to more than 875,300 homes and businesses in New Mexico and Texas. The company also has a 50-percent ownership of Optim Energy, which owns nearly 1,200 megawatts of generation resources in Texas. For more information, visit the company's Web site at www.PNMResources.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

Statements made in this news release that relate to future events or PNM Resources', PNM's, or TNMP's (collectively, the "Company") expectations, projections, estimates, intentions, goals, targets, and strategies, are made pursuant to the Private Securities Litigation Reform Act of 1995. Readers are cautioned that all forward-looking statements are based upon current expectations and estimates and PNM Resources, PNM, and TNMP assume no obligation to update this information. Because actual results may differ materially from those expressed or implied by these forward-looking statements, PNM Resources, PNM, and TNMP caution readers not to place undue reliance on these statements. PNM Resources', PNM's, and TNMP's business, financial condition, cash flow, and operating results are influenced by many factors, which are often beyond their control, that can cause actual results to differ from those expressed or implied by the forward-looking statements. These factors include: conditions affecting the Company's ability to access the financial markets and the Company's or Optim Energy's ability to negotiate new credit facilities for those expiring in 2012, including disruptions in the credit markets and actions by ratings agencies affecting the Company's credit ratings; the potential unavailability of cash from PNM Resources' subsidiaries or Optim Energy due to regulatory, statutory, or contractual restrictions; the impacts of decreases in the values of marketable equity securities on the trust funds maintained to provide nuclear decommissioning funding and pension and other postretirement benefits, including the levels of funding and expense; the recession and its impacts on the electricity usage of the Company's customers; state and federal regulatory, legislative, and judicial decisions and actions, including the outcomes of PNM's pending electric rate case and transmission rate case, and appeals of prior regulatory proceedings; the ability of PNM to successfully defend its utilization of a future test year in its current electric rate filing with the New Mexico Public Regulation Commission ("NMPRC"), including PNM's ability to withstand challenges by regulators and intervenors, in the event the pending stipulation in that case is not approved; the ability of PNM to successfully forecast and manage its operating and capital expenditures, particularly in the context of a future test year rate case; the ability of PNM and TNMP to recover their costs and earn their allowed returns in their regulated jurisdictions; the ability of PNM to meet the renewable energy requirements established by the NMPRC, including the resource diversity requirement, within the specified cost parameters; the risk that replacement power costs incurred by PNM related to not meeting the specified capacity factor for its generating units under its emergency fuel and purchased power adjustment clause will not be approved by the NMPRC; the risk that PNM may not be able to recover the increased costs of rights-of-way renewals on Native American lands through rates charged to customers; the ongoing risks relating to PNM Resources' ownership interest in Optim Energy, including uncertainties surrounding PNM Resources' assessment of strategic alternatives for its investment in Optim Energy, the risk that a strategic transaction involving Optim Energy may not be consummated, uncertainty regarding potential additional contributions to Optim Energy, and the possibility that PNM Resources might recognize additional gains or impairments depending on market conditions, the form and structure of a strategic transaction, and relative fair values; the risk that Optim Energy requires additional financial sources to expand its generation capacity, or otherwise, but is unable to identify and implement profitable acquisitions or that PNM Resources and ECJV Holdings, LLC, will not agree to make additional capital contributions to Optim Energy; state and federal regulation or legislation relating to climate change, reduction of greenhouse gas emissions, coal combustion byproducts, nitrogen oxide, and other power plant emissions, including the risk that the Company and Optim Energy may have to commit to substantial capital investments and additional operating costs to comply with new environmental requirements, including possible future requirements to address regional haze regulations and related Best Available Retrofit Technology requirements and concerns about global climate change, and the resultant impacts on the operations and economic viability of generating plants in which PNM and Optim Energy have interests; the performance of generating units, including the Palo Verde Nuclear Generating Station, the San Juan Generating Station, the Four Corners Power Plant, and Optim Energy generating units, transmission systems, and distribution systems, which could be negatively affected by major equipment failures, major weather disruptions, disruptions in fuel supply, and other significant operational issues; the risks associated with completion of generation, transmission, distribution, and other projects, including construction delays and unanticipated cost overruns; uncertainty regarding the requirements and related costs of decommissioning power plants owned or partially owned by PNM and Optim Energy and coal mines supplying certain PNM power plants, as well as the ability to recover decommissioning costs from customers; uncertainty surrounding the status of PNM's participation in jointly-owned generation projects resulting from the scheduled expiration of the operational documents for the projects beginning in 2016 and potential changes in the objectives of the participants in the projects; the risk that recently enacted reliability standards regarding available transmission

capacity may reduce certain PNM transmission rights used to transmit its generation resources and provide access to transmission customers resulting in a need to purchase additional transmission capacity, reduce sales of transmission capacity, or operate generation less economically; changes in Electric Reliability Council of Texas ("ERCOT") protocols; changes in the cost of power acquired by First Choice Power and changes in the retail price of power in ERCOT; the ability of First Choice Power to attract and retain customers; collections experience; fluctuations in interest rates; weather; water supply; changes in fuel costs; availability of fuel supplies; the effectiveness of risk management and commodity risk transactions; seasonality and other changes in supply and demand in the market for electric power; the impact of mandatory energy efficiency measures on customer energy usage; variability of wholesale power prices and natural gas prices; volatility and liquidity in the wholesale power markets and the natural gas markets; uncertainty regarding the ongoing validity of government programs for emission allowances; changes in the competitive environment in the electric industry; the outcome of legal proceedings; the extent of insurance coverage available for claims made in litigation; changes in applicable accounting principles; and the performance of state, regional, and national economies.

Non-GAAP Financial Measures

PNM Resources ("the Company") uses ongoing earnings and ongoing earnings per diluted share (or ongoing diluted earnings per share) and EBITDA (earnings before interest charges, income taxes, depreciation and amortization) and ongoing EBITDA to evaluate the operations of the Company and to establish goals for management and employees. While the Company believes these financial measures are appropriate and useful for investors, they are not measures presented in accordance with generally accepted accounting principles in the U.S. (GAAP). The Company does not intend for these measures, or any piece of these measures, to represent any financial measure as defined by GAAP. Furthermore, the Company's calculations of these measures as presented may or may not be comparable to similarly titled measures used by other companies. PNM Resources uses ongoing earnings guidance to provide investors with management's expectations of ongoing financial performance over the period presented. While PNM Resources believes ongoing earnings guidance is an appropriate measure, it is not a measure presented in accordance with GAAP. PNM Resources does not intend for ongoing earnings guidance to represent an expectation of net earnings as defined by GAAP. Management is generally not able to estimate the impact of the reconciling items between ongoing earnings guidance and forecasted GAAP earnings, nor their probable impact on GAAP earnings; therefore, management is generally not able to provide a corresponding GAAP equivalent for earnings guidance. In addition, PNM Resources uses forecasts of ongoing EBITDA and cash earnings guidance to provide investors with management's expectations of additional indicators of ongoing financial performance. Since forecasts of EBITDA and cash earnings are derived from forecasted ongoing earnings, management is not able reconcile these items to a GAAP equivalent.

PNM Resources
Schedule 1
Reconciliation of Ongoing to GAAP Earnings
(Preliminary and Unaudited)

Quarter Ended March 31, 2011
(in thousands)

	PNM Electric	TNMP Electric	First Choice	Optim Energy (50%)	Corporate and Other	Consolidated
GAAP Net Earnings (Loss) Attributable to PNMR:	**$ 3,649**	**$ 4,163**	**$ 13,489**	**$ -**	**$ (4,664)**	**$ 16,637**
Adjusting items, net of income tax effects*						
Mark-to-market impact of economic hedges	(1,152)	-	(5,853)	975	-	(6,030)
Net change in unrealized impairments of NDT securities	(1,716)	-	-	-	-	(1,716)
Equity in net earnings (loss) of Optim Energy	-	-	-	(5,483)	-	(5,483)
Total Adjustments	(2,868)	-	(5,853)	(4,508)	-	(13,229)
Ongoing Earnings (Loss)	**$ 781**	**$ 4,163**	**$ 7,636**	**$ (4,508)**	**$ (4,664)**	**$ 3,408**

** Income tax effects calculated using tax rates of 35.65% for First Choice and TNMP and 39.59% for all other segments unless otherwise indicated.*

Quarter Ended March 31, 2010
(in thousands)

	PNM Electric	TNMP Electric	First Choice	Optim Energy (50%)	Corporate and Other	Consolidated
GAAP Net Earnings (Loss) Attributable to PNMR:	**$ 4,316**	**$ 1,644**	**$ (7,453)**	**$ (2,629)**	**$ (4,327)**	**$ (8,449)**
Adjusting items, net of income tax effects*						
Mark-to-market impact of economic hedges	3,217	-	17,868	(1,305)	-	19,780
Net change in unrealized impairments of NDT securities	(725)	-	-	-	-	(725)
Disposition of litigation	(5,141)	-	-	-	-	(5,141)
Total Adjustments	(2,649)	-	17,868	(1,305)	-	13,914
Ongoing Earnings (Loss)	**$ 1,667**	**$ 1,644**	**$ 10,415**	**$ (3,934)**	**$ (4,327)**	**$ 5,465**

* Income tax effects calculated using tax rates of 35.65% for First Choice and TNMP and 39.59% for all other segments unless otherwise indicated.

PNM Resources
Schedule 2
Reconciliation of Ongoing to GAAP Earnings Per Diluted Share
(Preliminary and Unaudited)

Quarter Ended March 31, 2011
(earnings per diluted share)

	PNM Electric	TNMP Electric	First Choice	Optim Energy (50%)	Corporate and Other	Consolidated
GAAP Net Earnings (Loss) Attributable to PNMR:	**$ 0.04**	**$ 0.05**	**$ 0.15**	**$ -**	**$ (0.05)**	**$ 0.18**
Adjusting items						
Mark-to-market impact of economic hedges	(0.01)	-	(0.06)	0.01	-	(0.07)
Net change in unrealized impairments of NDT securities	(0.02)	-	-	-	-	(0.02)
Equity in net earnings (loss) of Optim Energy	-	-	-	(0.06)	-	(0.06)
Total Adjustments	(0.03)	-	(0.06)	(0.05)	-	(0.14)
Ongoing Earnings (Loss)	**$ 0.01**	**$ 0.05**	**$ 0.08**	**$ (0.05)**	**$ (0.05)**	**$ 0.04**

Average Diluted Shares Outstanding: 92,108,307

Tables may not appear visually accurate due to rounding.

Quarter Ended March 31, 2010
(earnings per diluted share)

PNM Electric	TNMP Electric	First Choice	Optim Energy (50%)	Corporate and Other	Consolidated

GAAP Net Earnings (Loss) Attributable to PNMR:	**$ 0.05**	**$ 0.02**	**$ (0.08)**	**$ (0.03)**	**$ (0.05)**	**$ (0.09)**
Adjusting items						
Mark-to-market impact of economic hedges	0.04	-	0.19	(0.01)	-	0.22
Net change in unrealized impairments of NDT securities	(0.01)	-	-	-	-	(0.01)
Disposition of litigation	(0.06)	-	-	-	-	(0.06)
Total Adjustments	(0.03)	-	0.19	(0.01)	-	0.15
Ongoing Earnings (Loss)	**$ 0.02**	**$ 0.02**	**$ 0.11**	**$ (0.04)**	**$ (0.05)**	**$ 0.06**

Average Diluted Shares Outstanding*: 91,546,276

** Due to PNMR GAAP losses in the three months ended March 31, 2010, no potentially dilutive securities are reflected in the average number of common shares used to compute earnings (loss) per share since any impact would be anti-dilutive.*

PNM Resources
Schedule 3
Segment Reconciliation of GAAP Net Earnings to Ongoing EBITDA
(Earnings Before Interest Charges, Income Taxes, Depreciation and Amortization)
(Preliminary and Unaudited)
(in millions)

	Quarter Ended March 31, 2011				
	PNM Electric	**TNMP Electric**	**First Choice**	**Corporate and Other***	**Consolidated**
GAAP Net Earnings (Loss) Attributable to PNMR	$ 3.6	$ 4.2	$ 13.5	($4.7)	$ 16.6
Interest charges	18.1	7.3	0.1	5.1	30.6
Income taxes	2.4	2.6	7.5	(3.0)	9.5
Depreciation and amortization	23.7	10.3	0.3	4.2	38.5
EBITDA	47.8	24.4	21.4	1.6	95.2
GAAP to ongoing adjustments (before tax)	(5.4)	0.0	(9.1)	(7.5)	(22.0)
Ongoing EBITDA	**$ 42.4**	**$ 24.4**	**$ 12.3**	**($5.9)**	**$ 73.2**

** Corporate & Other segment includes equity in net earnings (loss) of Optim Energy. See Schedule 4 for calculation of Optim Energy ongoing EBITDA.*

	Quarter Ended March 31, 2010				
	PNM Electric	**TNMP Electric**	**First Choice**	**Corporate and Other***	**Consolidated**
GAAP Net Earnings (Loss) Attributable to PNMR	$ 4.3	$ 1.6	($7.5)	($6.8)	($8.4)
Interest charges	18.1	7.9	0.3	5.1	31.4
Income taxes	2.9	1.1	(4.2)	(4.7)	(4.9)
Depreciation and amortization	22.9	10.1	0.3	4.0	37.3

EBITDA	48.2	20.7	(11.1)	(2.4)	55.4
GAAP to ongoing adjustments (before tax)	(5.1)	0.0	27.8	(2.3)	20.4
Ongoing EBITDA	**$ 43.1**	**$ 20.7**	**$ 16.7**	**($4.7)**	**$ 75.8**

** Corporate & Other segment includes equity in net earnings (loss) of Optim Energy. See Schedule 4 for calculation of Optim Energy ongoing EBITDA.*

PNM Resources
Schedule 4
Calculation of Optim Energy Ongoing EBITDA
(Earnings Before Interest Charges, Income Taxes, Depreciation and Amortization)
(Preliminary and Unaudited)

	Quarter Ended March 31, 2011 (in millions)
GAAP Net Earnings (Loss)	$ (18.2)
Interest expense	4.0
Income tax	0.1
Depreciation and amortization expense	11.6
Mark-to-market impact of economic hedges	3.2
Purchase accounting amortizations	6.2
Ongoing Optim Energy EBITDA	6.9
50 Percent of Ongoing EBITDA (PNMR share)	$ 3.5

	Quarter Ended March 31, 2010 (in millions)
GAAP Net Earnings (Loss)	$ (8.0)
Interest expense	4.7
Income tax	0.0
Depreciation and amortization expense	12.1
Mark-to-market impact of economic hedges	(4.3)
Purchase accounting amortizations	5.3
Ongoing Optim Energy EBITDA	9.8
50 Percent of Ongoing EBITDA (PNMR share)	$ 4.9

PNM Resources
Schedule 5
Reconciliation of Ongoing (non-GAAP) Net Earnings
to GAAP Consolidated Statement of Earnings (Loss)

(Preliminary and Unaudited)
(in thousands, except per share data)

	Quarter Ended March 31,					
	2011			2010		
	GAAP	Adjustments	Ongoing	GAAP	Adjustments	Ongoing
	(in thousands, except per share data)					
Electric operating revenues	$387,663	$ (1,279) (a)	$386,384	$383,457	$ 2,093 (a)	$385,550
Cost of energy	158,507	14,394 (b)	172,901	190,888	(26,496) (g)	164,392
Gross margin	229,156	(15,673)	213,483	192,569	28,589	221,158
Other operating expenses	138,463	(779) (c)	137,684	144,747	(687) (c)	144,060
Depreciation and amortization	38,473	(708) (c)	37,765	37,279	(713) (c)	36,566
Operating income	52,220	(14,186)	38,034	10,543	29,989	40,532
Equity in net earnings (loss) of Optim Energy	-	(7,463) (d)	(7,463)	(4,352)	(2,160) (a)	(6,512)
Net other income (deductions)	7,853	(2,839) (e)	5,014	15,066	(9,710) (h)	5,356
Interest charges	(30,615)	-	(30,615)	(31,410)	-	(31,410)
Earnings (Loss) before Income Taxes	29,458	(24,488)	4,970	(10,153)	18,119	7,966
Income Taxes (Benefit)	9,506	(8,076) (f)	1,430	(4,939)	7,308 (f)	2,369
Net Earnings (Loss)	19,952	(16,412)	3,540	(5,214)	10,811	5,597
(Earnings) Attributable to Valencia Non-controlling Interest	(3,183)	3,183 (c)	-	(3,103)	3,103 (c)	-
Preferred Stock Dividend Requirements of Subsidiary	(132)	-	(132)	(132)	-	(132)
Net Earnings (Loss) Attributable to PNMR	$ 16,637	$(13,229)	$ 3,408	$ (8,449)	$ 13,914	$ 5,465
Net Earnings (Loss) Attributable to PNMR per Common Share:						
Basic	$ 0.18	$ (0.14)	$ 0.04	$ (0.09)	$ 0.15	$ 0.06
Diluted	$ 0.18	$ (0.14)	$ 0.04	$ (0.09)	$ 0.15	$ 0.06
Average common shares outstanding:						
Basic	91,633			91,546		
Diluted	92,108			91,546		

(a) Mark-to-market impact of economic hedges
(b) Mark-to-market impact of economic hedges $9,724; Consolidation of Valencia $4,670.
(c) Consolidation of Valencia
(d) Equity in net earnings (loss) of Optim Energy $(9,076); Mark-to-market impact of economic hedges $1,613.
(e) Net change in unrealized impairments of NDT securities $(2,839).
(f) Net taxes on adjusting items
(g) Mark-to-market impact of economic hedges $(30,999); Consolidation of Valencia $4,503.
(h) Net change in unrealized impairment of NDT securities $(1,200); disposition of litigation $(8,510).

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