



## **PNM Resources Management to Meet with Investors**

2011 ongoing earnings guidance range affirmed during meetings

ALBUQUERQUE, N.M.--(BUSINESS WIRE)-- PNM Resources (NYSE: PNM) management will meet with institutional investors during several meetings today and tomorrow in Wisconsin, Michigan and Illinois.

During the meetings, management will affirm the company's 2011 consolidated ongoing earnings guidance range of \$1.00 to \$1.05 per diluted share. Supporting material for the investor meetings is available on PNM Resources' Web site at <http://pnm.client.shareholder.com/investors/events.cfm>.

### **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 regulated utilities, PNM Resources has approximately 2,530 megawatts of generation capacity and serves electricity to more than 735,000 homes and businesses in New Mexico and Texas. For more information, visit the company's Web site at [www.PNMResources.com](http://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', Public Service Company of New Mexico's ("PNM"), or Texas-New Mexico Power Company's ("TNMP") (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: the ability of PNM and TNMP to recover their costs and earn their allowed returns in their regulated jurisdictions; the ability of the Company to successfully forecast and manage its operating and capital expenditures, particularly in the context of a future test year rate case with respect to PNM; the performance of state, regional, and national economies and the resulting impacts on the electricity usage of the Company's customers; the performance of generating units, including the Palo Verde Nuclear Generating Station ("PVNGS"), the San Juan Generating Station ("SJGS"), and the Four Corners Plant, transmission systems, and distribution systems, which could be negatively affected by major equipment failures, major weather disruptions, disruptions in fuel supply, cyber and physical security breaches, and other significant operational issues; state and federal regulation or legislation relating to climate change, reduction of greenhouse gas emissions, coal combustion byproducts, nitrogen oxides, and other power plant emissions, including the risk that the Company 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 has interests; uncertainties surrounding the mine fire incident at the mine supplying coal to SJGS, including potential impacts on the operations of SJGS, the costs of fuel, and the cap on the annual amounts recoverable through PNM's fuel and purchase power adjustment clause ("FPPAC"); state and federal regulatory, legislative, and judicial decisions and actions, including the outcomes of PNM's pending transmission and firm requirements power rate cases and appeals of prior regulatory proceedings; 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; uncertainty regarding the requirements and related costs of decommissioning power plants owned or partially owned by PNM and coal mines supplying certain PNM power plants, as well as the ability to recover decommissioning costs from customers; financial and operational risks at PVNGS relating to any increased regulatory review and actions in response to the events at the Fukushima Daiichi Nuclear Power Plant in Japan; 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 facilities less economically; the risks associated with completion of generation, transmission, distribution, and other projects, including construction delays and unanticipated cost overruns; the ability of PNM to successfully defend the utilization of a future test year in its electric rate filings with the New Mexico Public Regulation Commission ("NMPRC"), including PNM's ability to withstand challenges by regulators and intervenors; 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 FPPAC will not be approved by the NMPRC; the risk that PNM may not be able to recover a portion of the increased costs of rights-of-way renewals on Native American lands through rates charged to transmission customers; conditions affecting the Company's ability to access the financial markets, 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 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 impacts of the true-up of the purchase price for the sale of First Choice Power to the actual amounts of certain components of working capital at closing; uncertainties surrounding the successful completion of PNM Resources' tender offer to repurchase up to \$50.0 million of its outstanding 9.25% senior unsecured notes, due in 2015; changes in the Electric Reliability Council Of Texas protocols; 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; and changes in applicable accounting principles.

### **Non-GAAP Financial Measures**

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. The Company uses ongoing earnings guidance to provide investors with management's expectations of ongoing financial performance over the period presented. While the Company believes ongoing earnings guidance is an appropriate measure, it is not a measure presented in accordance with GAAP. The Company 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, The Company 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 to reconcile these items to a GAAP equivalent.

PNM Resources

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