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PNM RESOURCES
Form U-3A-2
February 28, 2003

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C.

FORM U-3A-2

Statement by Holding Company Claiming Exemption
Under Rule U-3A-2 from the Provisions of the
Public Utility Holding Company Act of 1935

To Be Filed Annually Prior to March 1

PNM RESOURCES, INC.

PNM Resources, Inc. ("PNM Resources") hereby files with the Securities and Exchange Commission (the "Commission"), pursuant to Rule 2, its statement claiming exemption as a holding company from the provisions of the Public Utility Holding Company Act of 1935 (the "Act"), and submits the following information:

1. Name, State of organization, location and nature of business of claimant and every subsidiary thereof, other than any exempt wholesale generator ("EWG") or foreign utility company in which claimant directly or indirectly holds an interest.

PNM Resources is a holding company organized under the laws of the State of New Mexico. Upon the completion of a one-for-one share exchange between Public Service Company of New Mexico, a New Mexico corporation ("PNM"), and PNM Resources on December 31, 2001, PNM Resources became the parent of PNM. PNM is a public utility company as defined under Section 2(a)(5) of the Act. PNM Resources is also the parent of certain non-utility subsidiaries, most of which were formerly owned, directly or indirectly, by PNM, as identified in the table below. PNM Resources has its principal offices at Alvarado Square, Albuquerque, New Mexico 87158.

ACTIVE SUBSIDIARIES

PNM

PNM Resources owns all of the issued and outstanding voting securities of PNM, a public utility incorporated in 1917 under the laws of the State of New Mexico with principal offices at Alvarado Square, Albuquerque, New Mexico 87158. PNM is a public utility primarily engaged in the generation, transmission, distribution and sale of electricity and the transmission, distribution and sale of natural gas.

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The total population of the area served by one or more of PNM's utility services is estimated to be approximately 1.3 million, of which some 57% live in the greater Albuquerque area.

Avistar

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PNM Resources owns all of the issued and outstanding voting securities of Avistar, Inc., a New Mexico corporation ("Avistar"). Avistar's principal offices are at Alvarado Square, Albuquerque, New Mexico, 87158. Avistar is currently engaged in certain non-utility businesses. Avistar has an investment in Nth Power Technologies, a venture capital firm focused on high growth opportunities arising from restructuring of the global energy marketplace. Nth Power Technologies has invested in a broad range of companies that include distributed generation and storage, communications, control and information technology, end-use products, power quality, transmission and distribution automation, and outsourcing and business services.

Eastern Interconnect Project Lease Interest

On December 20, 2002, PNM Resources acquired the beneficial ownership of the trust which relates to one of the two leases of a transmission line connecting the PNM system with the Texas electrical grid to the east. This is a common law trust which holds legal title to the leased 60% interest, a trust with no outstanding securities of any sort and no officers, directors or persons performing similar executive or management functions. PNM Resources paid \$6.75 million in cash and assumed \$26 million in long-term debt to acquire the beneficial ownership of the trust which relates to a lease of a majority of the Eastern Interconnection Project ("EIP") line. PNM operates the line under the terms of the lease agreement. PNM Resources reports the \$26 million of debt on its balance sheet, and PNM reports the present value of the remaining 40% interest of the EIP operating lease as off balance sheet debt. Acquiring the beneficial ownership will allow PNM to buy back legal title to 60% of the EIP, retire the underlying bonds, reducing net lease payments and the amount of the company's off-balance sheet debt, and collapse the lease in the second quarter of 2003. The 216-mile-long EIP runs from near Albuquerque to the Texas-New Mexico border. The 345-kilovolt line has a capacity of 200 megawatts.

EIP Refunding Corporation

On February 24, 2003, PNM Resources acquired 100% of the outstanding common stock of EIP Refunding Corporation for \$1,000. EIP Refunding Corporation is a special purpose corporation authorized to hold notes receivable from two trusts and issue publicly traded bonds in a corresponding amount. PNM Resources acquired EIP Refunding Corporation to effectuate the retirement of the EIP Secured Facility Bonds.

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INACTIVE SUBSIDIARIES

Direct and Indirect Subsidiaries
Related to PNM's Previous Diversification Efforts

NAME	PLACE OF INCORPORATION OR ORGANIZATION	ADDITIONAL INFORMATION
Meadows Resources, Inc. (Meadows)	New Mexico	Wholly owned subsidiary of PNM; formerly developed and conducted activities unrelated to utility operations.
Bellamah Associates	New Mexico	Subsidiary of Meadows. Limited

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Ltd. (BAL)		Partnership with BIL. General partnership with BCD, BHL, and Meadows.
Bellamah Community Development (BCD)	New Mexico	Subsidiary of Meadows. A general partnership among BAL, BHL, and Meadows.
Bellamah Holding Company (BHC)	New Mexico	Subsidiary of Meadows. Limited partnership with BIL.
Bellamah Holding Ltd. (BHL)	New Mexico	Subsidiary of Meadows. General partnership with BAL, BCD, and Meadows.
Bellamah Investors Ltd. (BIL)	New Mexico	Subsidiary of Meadows. Limited Partnership with BAL and BHC.
Republic Holding Company (RHC)	Delaware	Subsidiary of Meadows.
Sunbelt Mining Company, Inc.	New Mexico	Wholly owned subsidiary of PNM Resources; formerly, among other things, acquired, developed, and marketed coal.

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Direct Subsidiaries
Related to PNM's Previous Gas Gathering and Processing Businesses

NAME -----	PLACE OF INCORPORATION OR ORGANIZATION -----	ADDITIONAL INFORMATION (IF NEEDED) -----
Sunterra Gas Gathering Company	New Mexico	Subsidiary of PNM Resources. Primary activities, prior to the June 30, 1995 closing date on which gas gathering and processing assets were sold, were to gather and deliver natural gas to interstate and intrastate pipelines and to sell natural gas to PNM Gas Services.
Sunterra Gas Processing Company	New Mexico	Subsidiary of PNM Resources. Primary activity, prior to the June 30, 1995 closing date on which gas gathering and processing assets were sold, was to process natural gas.

Direct and Indirect Subsidiaries
Related to Restructuring

PLACE OF INCORPORATION OR	ADDITIONAL INFORMATION
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NAME -----	ORGANIZATION -----	(IF NEEDED) -----
PNM Electric and Gas Services	New Mexico	Shell subsidiary of PNM Resources formed with an initial equity capital of \$1000; created as part of PNM's plan to comply with the New Mexico Electric Utility Industry Restructuring Act of 1999.
Manzano Energy Corporation	New Mexico	Shell subsidiary of Avistar formed with equity capital of \$100 to hold the name "Manzano Energy Corporation."

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Indirect Subsidiaries
Related to Terminated Transaction With
Western Resources, Inc. (the "Transaction")

NAME -----	PLACE OF INCORPORATION OR ORGANIZATION -----	ADDITIONAL INFORMATION (IF NEEDED) -----
HVOLT Enterprises, Inc. (HVOLT)	Delaware	Shell subsidiary of Avistar formed with equity capital of \$1000 to facilitate the Transaction between PNM Resources and Western Resources, Inc.
HVNM, Inc. (HVNM)	New Mexico	Shell subsidiary of HVOLT formed with equity capital of \$1000 to facilitate the Transaction.
HVK, Inc. (HVK)	Kansas	Shell subsidiary of HVOLT formed with equity capital of \$1000 to facilitate the Transaction.

Miscellaneous Inactive Subsidiaries

NAME -----	PLACE OF INCORPORATION OR ORGANIZATION -----	ADDITIONAL INFORMATION (IF NEEDED) -----
AMDAX.com	Nevada	25% owned by Avistar.
Gas Company of New Mexico	New Mexico	Subsidiary of Sunbelt to preserve the name "Gas Company of New Mexico."
Reliadigm, Inc.	New Mexico	Shell subsidiary of Avistar formed with equity capital of \$1000 to preserve the name "Reliadigm, Inc."

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Paragon Resources,
Inc.

New Mexico

Wholly owned utility related subsidiary of PNM Resources; formerly provided services to the PNM electric and gas services operations.

2. A brief description of the properties of claimant and each of its subsidiary public utility companies used for the generation, transmission, and distribution of electric energy for sale, or for the production, transmission, and distribution of natural or manufactured gas, indicating the location of principal generating plants, transmission lines, producing fields, gas manufacturing plants, and electric and gas distribution facilities, including all such properties which are outside

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the State in which claimant and its subsidiaries are organized and all transmission or pipelines which deliver or receive electric energy or gas at the borders of such State.

PNM Resources does not own directly any utility properties or perform any utility operations. As described above, PNM Resources has acquired the beneficial ownership in a trust which holds 60% of the EIP transmission line. PNM Resources' operating subsidiary is PNM and is described in detail below.

PNM provides retail electric service to a large area of north central New Mexico, including the cities of Albuquerque, Santa Fe, Rio Rancho, Las Vegas, Belen and Bernalillo. PNM also provides retail electric service to Deming in southwestern New Mexico and to Clayton in northeastern New Mexico. As of December 31, 2002, PNM served approximately 388,000 retail electric customers, the largest of which accounted for approximately 4.7% of PNM's total retail electric revenues for the year ended December 31, 2002.

PNM owns or leases and operates facilities for the generation and transmission of electric energy. PNM's transmission facilities consist primarily of 345 kV, 230 kV and 115 kV transmission lines extending through much of the State of New Mexico. PNM also owns partial interests in certain 500 kV and 345 kV transmission lines in the State of Arizona. PNM owns or leases interests in electric generation plants representing a total PNM net generation capacity of 1,736 MW. The facilities comprising such interests in generation include: a nuclear plant, Palo Verde Nuclear Generating Station, located in Arizona; two coal-fired plants, San Juan Generating Station and Four Corners Power Plant, located in northwest New Mexico; two gas/oil-fired plants, Las Vegas, located in Las Vegas, New Mexico, and Reeves, located in Albuquerque, New Mexico; and two gas-fired peaking plants, Lordsburg Generating Station, in Lordsburg, New Mexico and Afton Generating Station, located adjacent to the Afton Compression Station of El Paso Natural Gas Company, about 12.5 miles southwest of Las Cruces, New Mexico. The two gas-fired peaking plants were added in 2002 and began commercial operation on June 14 and November 27, respectively. PNM also has approximately 132 MW of additional unit contingent peaking capacity through a 20-year power purchase agreement with Delta-Person Limited Partnership, owner of a gas turbine generating unit near Albuquerque, New Mexico. This brings PNM's total net generating capacity, consisting of both internal and external contracted capacity, to 1,868 MW.

In addition to generation capacity, PNM purchases power in the wholesale market. PNM has two power purchase agreements with Southwestern Public Service Company: a long-term power purchase agreement (which expires in May, 2011) under which PNM presently receives 150 MW of interruptible power, and an

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intermediate-term agreement (through December 2005) under which PNM receives 72 MW of firm power. PNM also has a long-term power purchase agreement (through June 2010) with Tri-State Generation and Transmission Association, Inc., under which PNM receives 50 MW of firm power. Additionally, PNM has 70 MW of contingent capacity it obtains from El Paso Electric Company ("EPE") under a transmission-capacity-for-generation-capacity trade arrangement that runs through September 2004. Beginning in October 2004 and continuing through June 2005, the contingent capacity amount under the EPE trade arrangement will be reduced to 39 MW.

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As of December 31, 2002, PNM owned, jointly owned or leased approximately 2897 circuit miles of electric transmission lines, located in New Mexico and Arizona. Included in this total is approximately 165 miles of 500 kV transmission lines associated with PNM's interest in Palo Verde. PNM also owns approximately 4284 miles of overhead distribution lines, 3969 miles of underground distribution lines, and 247 energized and de-energized transformers within switching stations and substations, all located in New Mexico.

PNM, distributing natural gas to most of the major communities in New Mexico, including Albuquerque and Santa Fe, served approximately 450,000 natural gas customers as of December 31, 2002. The Albuquerque metropolitan area accounts for approximately 50% of the total sales-service customers. PNM obtains its supply of natural gas primarily from sources within New Mexico pursuant to contracts with producers and marketers. These contracts are generally sufficient to meet PNM's peak-day demand. PNM provides distribution service within certain cities that depend on El Paso Natural Gas Company or Transwestern Pipeline Company for transportation of the gas supplies. Because these cities are not directly connected to PNM transmission facilities, gas transported by these companies is the sole supply source for those cities.

PNM's natural gas properties, as of December 31, 2002, consisted primarily of natural gas storage, transmission and distribution systems. Provisions for storage made by PNM include ownership and operation of an underground storage facility located near Albuquerque, New Mexico. The transmission systems consisted of approximately 1,600 miles of pipe with appurtenant compression facilities. The distribution systems consisted of approximately 11,400 miles of pipe.

3. The following information for the last calendar year with respect to claimant and each of its subsidiary public utility companies:

- a) Number of kwh. of electric energy sold (at retail or wholesale), and Mcf. of natural or manufactured gas distributed at retail.

	Units Sold -----
Electric Energy	9,450,154,594 kWh (Wholesale) 7,706,506 (Retail)
Natural or Manufactured Gas	90,039,700 Mcf

- b) Number of kwh. of electric energy and Mcf. of natural or manufactured gas distributed at retail outside the State in which each such company is organized.

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	Units Sold -----
Electric Energy	0 kWh
Natural or Manufactured Gas	0 Mcf

- c) Number of kwh. of electric energy and Mcf. of natural or manufactured gas sold at wholesale outside the State in which each such company is organized, or at the State line.

	Units Sold -----
Electric Energy	6,523,786,000 kWh (Wholesale only)
Natural or Manufactured Gas	0 Mcf

- d) Number of kwh. of electric energy and Mcf. of natural or manufactured gas purchased outside the State in which each such company is organized, or at the State line.

	Units Purchased -----
Electric Energy	4,150,900,000 kWh (Wholesale only)
Natural or Manufactured Gas	11,953,040 Mcf

4. The following information for the reporting period with respect to claimant and each interest it holds directly or indirectly in an EWG or a foreign utility company, stating monetary amounts in United States dollars:

- a) Name, location, business address and description of the facilities used by the EWG or foreign utility company for the generation, transmission and distribution of electric energy for sale or for the distribution at retail of natural or manufactured gas.

N/A. The claimant holds no interest, directly or indirectly, in an EWG or a foreign utility company.

- b) Name of each system company that holds an interest in such EWG or foreign utility company and description of the interest held.

N/A

c) Type and amount of capital invested, directly or indirectly, by the holding company claiming exemption; any direct or indirect guarantee of the security of the EWG or foreign utility company by the holding company claiming exemption; and any debt or other financial obligation for which there is recourse, directly or indirectly, to the holding company claiming exemption or another system company other than the EWG or foreign utility company.

N/A

d) Capitalization and earnings of the EWG or foreign utility company during the reporting period.

N/A

e) Identify any service, sales or construction contract(s) between the EWG or foreign utility company and a system company, and describe the services to be rendered or goods sold and fees or revenues under such agreement(s).

N/A

EXHIBIT A

A consolidating statement of income and surplus of the claimant and its subsidiary companies for the last calendar year, together with a consolidating balance sheet of claimant and its subsidiary companies as of the close of such calendar year.

PNM RESOURCES AND SUBSIDIARIES
 CONSOLIDATING STATEMENT OF EARNINGS AND SURPLUS
 YEAR ENDED DECEMBER 31, 2002

	PNM RESOURCES	PNM CONSOLIDATED	AVISTAR
	-----	-----	-----
	(In thousands)		
OPERATING REVENUES:			
Electric	\$ --	\$ 895,474	\$ --
Gas	--	272,118	--
Non-Utility	161	--	1,243
	-----	-----	-----
Total operating revenues	161	1,167,592	1,243
	-----	-----	-----
OPERATING EXPENSES:			

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Cost of energy sold	--	549,242	811
Administrative and general	76,071	140,501	2,455
Energy production costs	--	149,528	--
Depreciation and amortization	715	101,689	5
Transmission and distribution costs	--	63,869	--
Taxes, other than income taxes	2,758	31,333	152
Income taxes	(31,205)	22,775	(863)
	-----	-----	-----
Total operating expenses	48,339	1,058,937	2,560
	-----	-----	-----
Operating income (Loss)	(48,178)	108,655	(1,317)
	-----	-----	-----
OTHER INCOME AND DEDUCTIONS:			
Equity in earnings from subsidiaries	61,041	--	--
Other	83,454	25,387	42
Income tax expense	(32,135)	(10,096)	(17)
	-----	-----	-----
Net other income and deductions	112,360	15,291	25
	-----	-----	-----
Income loss before interest charges	64,182	123,946	(1,292)
	-----	-----	-----
INTEREST CHARGES:			
Interest on long-term debt	--	56,409	--
Other interest charges	(90)	5,321	1
	-----	-----	-----
Net interest charges	(90)	61,730	1
	-----	-----	-----
NET EARNINGS (LOSS)	64,272	62,216	(1,292)
Preferred stock dividend requirements	--	586	--
	-----	-----	-----
Net Earnings (Loss) Applicable			
to Common Stock	64,272	61,630	(1,292)
Retained earnings at beginning of year	--	288,388	(19,501)
Common stock dividends	(34,423)	--	--
Dividends to parent	--	(93,861)	--
	-----	-----	-----
RETAINED EARNINGS AT END OF YEAR	\$ 29,849	\$ 256,157	\$ (20,793)
	=====	=====	=====

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PNM RESOURCES AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF EARNINGS AND SURPLUS (CONTINUED)
YEAR ENDED DECEMBER 31, 2002

	SUNTERRA GAS GATHERING	SUNTERRA GAS PROCESSING	ELIMINATIONS
	-----	-----	-----
	(In thousands)		
OPERATING REVENUES:			
Electric	\$ --	\$ --	\$ --
Gas	--	--	--
Non-Utility	--	--	--

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Total operating revenues	-----	-----	-----
	--	--	--
	-----	-----	-----
OPERATING EXPENSES:			
Cost of energy sold	--	--	--
Administrative and general	--	--	(72,794)
Energy production costs	--	--	--
Depreciation and amortization	--	--	--
Transmission and distribution costs	--	--	--
Taxes, other than income taxes	--	--	--
Income taxes	--	--	30,180
	-----	-----	-----
Total operating expenses	--	--	(42,614)
	-----	-----	-----
Operating income	--	--	42,614
	-----	-----	-----
OTHER INCOME AND DEDUCTIONS:			
Equity in earnings from subsidiaries	--	--	(61,041)
Other	190	--	(73,022)
Income tax expense	(75)	--	30,180
	-----	-----	-----
Net other income and deductions	115	--	(42,842)
	-----	-----	-----
Income before interest charges	115	--	(228)
	-----	-----	-----
INTEREST CHARGES:			
Interest on long-term debt	--	--	--
Other interest charges	--	--	(228)
	-----	-----	-----
Net interest charges	--	--	(228)
	-----	-----	-----
NET EARNINGS	115	--	(61,041)
Preferred stock dividend requirements	--	--	--
	-----	-----	-----
Net Earnings Applicable			
to Common Stock	115	--	(61,041)
Retained earnings at beginning of year	1,808	1,086	165,435
Common stock dividends	--	--	--
Dividends to parent	--	--	93,861
	-----	-----	-----
RETAINED EARNINGS AT END OF YEAR	\$ 1,923	\$ 1,086	\$ 196,255
	=====	=====	=====

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	RESOURCES	CONSOLIDATED	AVISTAR
	-----	-----	-----
		(In thousands)	
UTILITY PLANT, AT ORIGINAL COST EXCEPT PVNGS:			
Electric plant in service	\$ 625	\$ 2,301,048	\$ --
Gas plant in service	--	615,907	--
Common plant in service and plant held for future use	61,850	18,137	--
	-----	-----	-----
	62,475	2,935,092	--
Less accumulated depreciation and amortization	4,089	1,326,286	--
	-----	-----	-----
Construction work in progress	13,813	159,435	--
Nuclear fuel, net of accumulated amortization of \$16,568	--	26,832	--
	-----	-----	-----
Net utility plant	72,199	1,795,073	--
	-----	-----	-----
OTHER PROPERTY AND INVESTMENTS:			
Investment in Subsidiaries	864,737	--	--
Other investments	12,106	428,823	1,777
Non-utility property, net of accumulated depreciation of \$1,750	494	966	--
	-----	-----	-----
Total other property and investments	877,337	429,789	1,777
	-----	-----	-----
CURRENT ASSETS:			
Cash and cash equivalents	(265)	3,094	220
Accounts receivable, net of allowance for uncollectible accounts of \$15,575	--	76,850	--
Unbilled revenues	--	49,078	--
Intercompany	44,236	19,238	(567)
Other receivables	222	46,853	24
Inventories	2	37,227	--
Regulatory assets	--	24,027	--
Short-term investments	79,630	--	--
Other current assets	9,867	22,872	13
	-----	-----	-----
Total current assets	133,692	279,239	(310)
	-----	-----	-----
DEFERRED CHARGES:			
Regulatory assets	--	196,242	--
Prepaid pension cost	--	39,665	--
Other deferred charges	13	129,083	7
	-----	-----	-----
Total deferred charges	13	364,990	7
	-----	-----	-----
	\$ 1,083,241	\$ 2,869,091	\$ 1,474
	=====	=====	=====

PNM RESOURCES AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEET
ASSETS (CONTINUED)
AS OF DECEMBER 31, 2002

	SUNTERRA GAS GATHERING	SUNTERRA GAS PROCESSING	ELIMINATIONS
	(In thousands)		
UTILITY PLANT, AT ORIGINAL COST EXCEPT PVNGS:			
Electric plant in service	\$ --	\$ --	\$ --
Gas plant in service	--	--	--
Common plant in service and plant held for future use	--	--	--
	-----	-----	-----
Less accumulated depreciation and amortization	--	--	--
	-----	-----	-----
Construction work in progress	--	--	--
Nuclear fuel, net of accumulated amortization of \$16,568	--	--	--
	-----	-----	-----
Net utility plant	--	--	--
	-----	-----	-----
OTHER PROPERTY AND INVESTMENTS:			
Investment in Subsidiaries	--	--	(864,737)
Other investments	--	--	--
Non-utility property, net of accumulated depreciation of \$1,750	--	--	--
	-----	-----	-----
Total other property and investments	--	--	(864,737)
	-----	-----	-----
CURRENT ASSETS:			
Cash and cash equivalents	8	10	--
Accounts receivable, net of allowance for uncollectible accounts of \$15,575	--	--	--
Unbilled revenues	--	--	--
Intercompany	9,426	190	(73,216)
Other receivables	--	--	--
Inventories	--	--	--
Regulatory assets	--	--	--
Short-term investments	--	--	--
Other current assets	--	--	--
	-----	-----	-----
Total current assets	9,434	200	(73,216)
	-----	-----	-----

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DEFERRED CHARGES:

Regulatory assets	--	--	--
Prepaid pension cost	--	--	--
Other deferred charges	--	--	--
	-----	-----	-----
Total deferred charges	--	--	--
	-----	-----	-----
	\$ 9,434	\$ 200	\$ (937,935)
	=====	=====	=====

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PNM RESOURCES AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEET
CAPITALIZATION AND LIABILITIES
AS OF DECEMBER 31, 2002

	PNM RESOURCES	PNM CONSOLIDATED	AVISTAR
	-----	-----	-----
			(In tho
CAPITALIZATION: (NOTE 3)			
Common stock equity:			
Common stock outstanding - 39,118 shares	\$ 1,010,510	\$ 195,589	\$ --
Additional paid-in capital	--	430,043	22,000
Accumulated other comprehensive income, net of tax	(591)	(94,130)	--
Retained earnings	29,849	256,157	(20,790)
	-----	-----	-----
Total common stock equity	1,039,768	787,659	1,200,000
Minority interest	--	11,760	--
Cumulative preferred stock without mandatory redemption requirements	--	12,800	--
Long-term debt, less current maturities	26,152	953,940	--
	-----	-----	-----
Total capitalization	1,065,920	1,766,159	1,200,000
	-----	-----	-----
CURRENT LIABILITIES:			
Short-term debt	(4,500)	150,000	--
Accounts payable	2,315	95,714	2,000
Intercompany accounts payable	83	77,547	--
Accrued interest and taxes	9,446	36,450	(59,000)
Other current liabilities	11,191	87,701	12,000
	-----	-----	-----
Total current liabilities	18,535	447,412	(44,000)
	-----	-----	-----
DEFERRED CREDITS:			
Accumulated deferred income taxes	(2,950)	128,383	14,000
Accumulated deferred investment tax credits	--	41,583	--

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Regulatory liabilities	--	52,019	--
Regulatory liabilities related to accumulated deferred income tax	--	14,137	--
Accrued postretirement benefits cost	--	17,335	--
Other deferred credits	--	402,063	56
	-----	-----	-----
Total deferred credits	1,736	655,520	70
	-----	-----	-----
Commitments and Contingencies	(1,214)	--	--
	-----	-----	-----
	\$ 1,083,241	\$ 2,869,091	\$ 1,47
	=====	=====	=====

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PNM RESOURCES AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEET
CAPITALIZATION AND LIABILITIES (CONTINUED)
AS OF DECEMBER 31, 2002

	SUNTERRA GAS GATHERING	SUNTERRA GAS PROCESSING	ELIMINATIO
	-----	-----	-----
	(In thousands)		
CAPITALIZATION:			
Common stock equity:			
Common stock outstanding - 39,118	\$ --	\$ --	\$ (581,98
Additional paid-in capital	7,511	(886)	(479,01
Accumulated other comprehensive income, net of tax	--	--	--
Retained earnings	1,923	1,086	196,25
	-----	-----	-----
Total common stock equity	9,434	200	(864,73
Minority interest	--	--	--
Cumulative preferred stock without mandatory redemption requirements	--	--	--
Long-term debt, less current maturities	--	--	--
	-----	-----	-----
Total capitalization	9,434	200	(864,73
	-----	-----	-----
CURRENT LIABILITIES:			
Short-term debt	--	--	4,50
Accounts payable	--	--	(8
Intercompany accounts payable	--	--	(77,63
Accrued interest and taxes	--	--	--
Other current liabilities	--	--	--
	-----	-----	-----
Total current liabilities	--	--	(73,21
	-----	-----	-----

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DEFERRED CREDITS:

Accumulated deferred income taxes	--	--	1
Accumulated deferred investment tax credits	--	--	--
Regulatory liabilities	--	--	--
Regulatory liabilities related to accumulated deferred income tax	--	--	--
Accrued postretirement benefits cost	--	--	--
Other deferred credits	--	--	--
	-----	-----	-----
Total deferred charges	--	--	1
	-----	-----	-----
Commitments and Contingencies	--	--	--
	-----	-----	-----
	\$ 9,434	\$ 200	\$ (937,93
	=====	=====	=====

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EXHIBIT B

An organizational chart showing the relationship of each EWG or foreign utility company to associate companies in the holding-company system.

N/A

The above-named claimant has caused this statement to be duly executed on its behalf by its authorized officer on this 28th day of February, 2003.

PNM RESOURCES, INC.

By: /s/ Terry R. Horn

Terry R. Horn
Vice President and
Treasurer

CORPORATE SEAL
Attest:

/s/ Jim Acosta

Jim Acosta, Assistant Secretary

Name, title, and address of officer to whom notices and correspondence concerning this statement should be addressed:

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T. R. Horn, Vice President and Treasurer

(Name)

(Title)

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