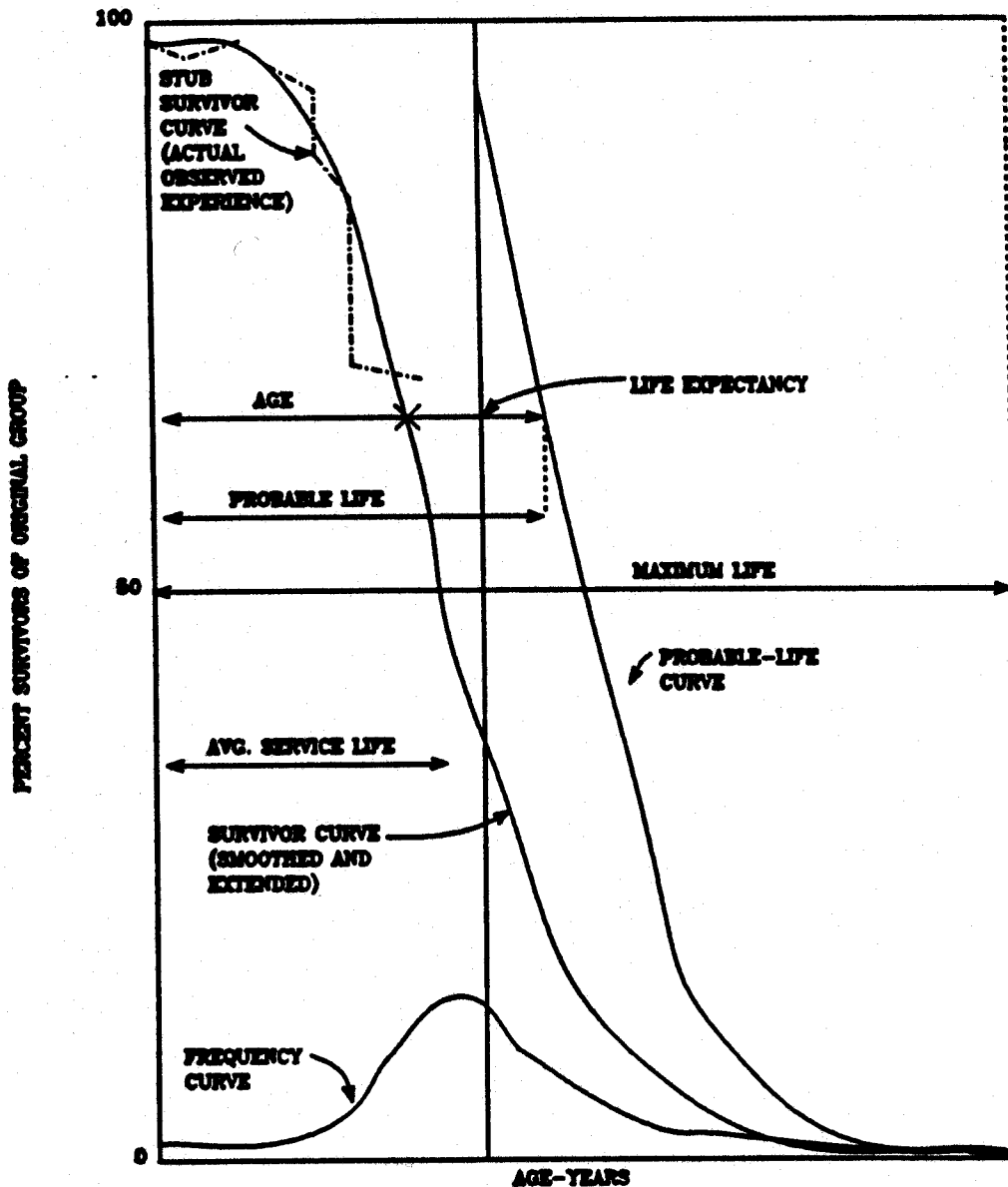


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APPENDIX A

ELEMENTS OF A SURVIVOR CURVE



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APPENDIX B

Utility _____
Dept./Area _____

SUMMARY OF ANNUAL DEPRECIATION ACCRUAL AND RATE DETERMINATION
STRAIGHT-LINE REMAINING LIFE METHOD
YEAR OF _____

Ac. No.	Account Title	Gross Plant Beg. of Year	Estimated Future Net Salvage	Depreciation Reserve eg. of Year	Net Balance	Avg. Serv. Life	Type	Age	Rem. Life	Annual Accrual	% of Gross Plant
		\$ (1)	\$ (2)	\$ (3)	\$ (4)	Vrs. (6)	Curve (7)	Vrs. (8)	Vrs. (9)	\$ (10)	% (11)

* Year for which accruals are to be recorded in accounts.

- (1) Gross plant at January 1 or for beginning of year for which accruals are to be recorded in accounts.
- (2) Net salvage expressed as percent of gross plant.
- (3) Amount of estimated future net salvage.
- (4) Recorded depreciation reserve corresponding to gross plant.
- (5) The amount in this Column equals Column (1) minus Column (3) minus Column (4).
- (6) Average service life or probable service life determined to be applicable to the account.
- (7) Type curve determined to be applicable to the account.
- (8) Weighted average age of the account based on dollar years.
- (9) Weighted average remaining life of the account based on dollar years.
- (10) Amounts of annual accrual which are obtained by dividing amounts in Column (5) by years shown in Column (9).
- (11) Amounts of annual accruals expressed as percents of Gross Plant which percentages are obtained by dividing amounts in Column (10) by amounts in Column (1) and multiplying quotient by 100.

General Notes:

- (A) The average service lives and type curves shown in Columns (6) and (7) to be determined in compliance with NMPSC Rule 340.
- (B) The annual accrual rates shown in Column (11) to be used for each year's accruals unless modified by annual review or detailed periodic study.
- (C) Data requested in Columns (8) and (9) to be furnished at time of initial report and when changes of a substantial nature affecting annual depreciation rates are placed in effect, otherwise the data will not be revised annually.

NMPSC Rule 340

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(D) This form to be used to report to the Public Service Commission the depreciation rates the utility intends to use during the ensuing year when such rates or the majority thereof are computed by the straight-line remaining life method.

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APPENDIX C

Utility _____
Dept./Area _____

SUMMARY OF ANNUAL DEPRECIATION ACCRUAL AND RATE DETERMINATION
STRAIGHT-LINE AVERAGE LIFE METHOD
YEAR OF _____

Acct. Title	Gross Plant	Depreciation Reserve	Avg. Serv. Life Yrs.	Type Curve	Age Yrs.	Rem. Life Yrs.	Annual Accrual Rate %	Est. Future Net Salvage %	Adj. Annual Accrual Rate %	Adjusted Annual Accrual \$
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Be	9.08									

* Year for which accruals are to be recorded in accounts.

- (1) Gross plant at January 1 or for beginning of year for which accruals are to be recorded in accounts.
- (2) Recorded depreciation reserve corresponding to gross plant.
- (3) Average service life or probable service life determined to be applicable to the account.
- (4) Type curve determined to be applicable to the account.
- (5) Weighted average age of the account based on dollar years.
- (6) Weighted average remaining life of the account based on dollar years.
- (7) Percent shown in this column is reciprocal of average or probable service life multiplied by 100 and represents unadjusted annual accrual rate unadjusted for estimated future net salvage.
- (8) Estimated future net salvage expressed as percent of gross plant.
- (9) Percent in this Column is equal to 100% minus percentage in Column (8) multiplied by percent shown in Column (7) and represents the annual depreciation accrual rate adjusted for estimated future net salvage.
- (10) The amounts in this Column are obtained by multiplying amounts in Column (1) by percentages in Column (9). These amounts are annual depreciation accruals adjusted for estimated future net salvage.

General Notes:

- (A) The average service lives and type curves shown in Columns (3) and (4) to be determined in compliance with NMPSC Rule 340.
- (B) The adjusted annual accrual rates shown in Column (9) to be used for each year's accruals unless modified by annual review or detailed periodic study.

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(C) Data requested in Columns (5) and (6) to be furnished at time of initial report and when changes of a substantial nature affecting annual depreciation rates are placed in effect, otherwise the data will not be revised annually.

(D) This form to be used to report to the Public Service Commission the depreciation rates the utility intends to use during the ensuing year when such rates or the majority thereof are computed by the straight-line average life method.

Effective 06/30/88

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APPENDIX E

Utility _____ Dept./Area _____
 Account No. _____ Account Title _____
 Estimated Average Service Life _____ Years Estimated Survivor Curve _____

Computation of Estimated Straight-Line Remaining Life Depreciation Accrual From A Survivor Curve-Group Basis

Year placed	Age At (Date) Years	Estimated Probable Life Years	Gross Additions \$	Portion Surviving %	Plant Surviving At (Date) \$	Remaining Life Yrs.	Remaining Life Dollar Years \$ X Yrs.

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APPENDIX F

Utility _____ Dept./Area _____
 Account No. _____ Account Title _____
 Estimated Average Service Life _____ Years Estimated Survivor Curve _____

Year placed _____	Age At (Date) _____ Years	Estimated Probable Life _____ Years	Gross Additions _____ \$	Portion Surviving _____ %	Plant Surviving At (Date) _____ \$	Estimated Depreciation Reserve Requirement _____ \$
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APPENDIX G

UTILITY _____
ACCT. NO. _____

SALVAGE ESTIMATE
AS OF 1/1 _____
ESTIMATED BY _____

1. RECENT RECORDED EXPERIENCE

PLANT		GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE	
YEAR	RETIRED	AMOUNT	% OF RETIRE.	AMOUNT	% OF RETIRE.	AMOUNT	% OF RETIRE.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

a. 19 ____

b.

c.

c.

e.

f.

g.

h.

i.

j.

k. 19 ____

l.

m.

n.

o.

p.

2. ESTIMATE PERCENT

A. GROSS SALVAGE PAST RETIREMENTS p (4)	_____	_____	_____
B. EST. GROSS SALVAGE OF SURVIVORS (SCRAP VALUE)	_____	_____	_____
C. GROSS SALVAGE FUTURE AVERAGE - A+B/2 =	_____	_____	_____
D. COST OF REMOVAL PAST RETIREMENTS p (6)	_____	_____	_____
E. EST. COST OF REMOVAL FUTURE REQUIREMENTS	_____	_____	_____
F. FUTURE NET SALVAGE = C-E =	_____	_____	_____