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ALBUQUERQUE, N.M., May 22, 2002 - Public Service Company of New Mexico, a subsidiary of PNM Resources (NYSE: PNM), did not engage in attempts to manipulate the wholesale power market during California's electricity crisis, the company reported today to the Federal Energy Regulatory Commission.

"Our wholesale marketing operations have always been conducted according to the highest ethical standards," said Jeff Sterba, chairman, president and chief executive officer of PNM Resources. "Our internal investigation, with assistance from an independent expert, has confirmed what we knew all along: We did not employ inappropriate trading strategies to better the company's profits."

PNM responded today to multiple questions by the FERC, which has ordered more than 100 energy firms to reveal whether they participated in practices similar to those described in recently disclosed Enron memos.

Among the questions asked by FERC of all energy firms was whether power was purchased at the now-defunct California Power Exchange and exported to take advantage of higher prices outside the state. While PNM reported that it did purchase a very small amount of power from the Cal PX, about one-tenth of one percent of its total purchases during the period identified by FERC, the company cannot determine whether that power was used to meet the needs of New Mexico customers or whether it was sold back into the wholesale market.

PNM Resources is an energy holding company based in Albuquerque, New Mexico. Its principal subsidiary is Public Service Company of New Mexico, which provides electric power and natural gas utility services to more than 1.3 million people in New Mexico. The company also sells power on the wholesale market in the Western U.S. PNM Resources stock is traded primarily on the NYSE under the symbol PNM.

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Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(c) Exhibits

- 99.1 Public Service Company of New Mexico's Responses to Fact-Finding Investigation of Potential Manipulation of Electric and Natural Gas Prices, May 22, 2002.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PNM RESOURCES, INC.

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(Registrant)

Date: May 23, 2002

/s/ John R. Loyack

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John R. Loyack  
Vice President, Corporate Controller

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and Chief Accounting Officer  
(Officer duly authorized to sign this report)