

SECURITIES AND EXCHANGE COMMISSION

FORM U-3A-2

Statement by holding company claiming exemption [Rule 2]

Filing Date: **1994-03-01** | Period of Report: **1993-12-31**
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FILER

TNP ENTERPRISES INC

CIK: **741612** | IRS No.: **751907501** | State of Incorporation: **TX** | Fiscal Year End: **1231**
Type: **U-3A-2** | Act: **35** | File No.: **069-00291** | Film No.: **94513843**
SIC: **4911** Electric services

Business Address
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FORT WORTH TX 76113
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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

* * * * *

File No. 69-291

TNP Enterprises, Inc.
(Name of Company)

hereby files with the Securities and Exchange 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 (Act), and submits the following informaton:

1. The name, State of organization, location and nature of business of claimant and every subsidiary thereof:

Name	State of Organization	Location and Nature of Business
TNP Enterprises, Inc.	Texas	P. O. Box 2943 Ft. Worth, TX 76113 Holding Company
Texas-New Mexico Power Company	Texas	P. O. Box 2943 Ft. Worth, TX 76113 Electric Utility/ Holding Company
Bayport Cogeneration, Inc.	Texas	P. O. Box 2943 Ft. Worth, TX 76113 General purpose corporation (presently inactive)

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Name	State of Organization	Location and Nature of Business
TNP Operating Company	Texas	P. O. Box 2943 Ft. Worth, TX 76113 General purpose corporation (presently inactive)
Texas Generating Company*	Texas	P. O. Box 2943 Ft. Worth, TX 76113 Special purpose corporation
Texas Generating Company II*	Texas	P. O. Box 2943 Ft. Worth, TX 76113 Special purpose corporation

*Wholly owned subsidiary of Texas-New Mexico Power Company

2. A brief description of the properties of claimant and of its subsidiary public utility company, Texas-New Mexico Power Company (TNP), used for the generation, transmission, and distribution of electric energy for sale, indicating the location of principal generating plants, transmission lines and distribution facilities including all such properties which are outside the State in which claimant and its subsidiaries are organized, and all transmission lines which deliver or receive electric energy at the borders of such States, is as follows:

The claimant owns all of the issued and outstanding common

stock, \$10.00 par value, of TNP, an electric public utility corporation, the principal operating subsidiary of claimant. TNP is a regulated public utility engaged in the generation, transmission, distribution and sale of electric energy. TNP has

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four operating divisions throughout Texas. The largest municipalities within Texas served by TNP are Texas City, Lewisville, and La Marque. The divisions located in the State of Texas are as follows:

- (A) Central Division. Electric transmission and distribution systems serving 25 municipalities and 18 unincorporated communities in 17 counties to the south and west of Fort Worth, Texas. The division is based at Clifton, Texas.
- (B) Northern Division. Electric transmission and distribution systems serving 36 municipalities and 19 unincorporated communities in 14 North Texas counties and 3 counties in the Texas Panhandle. The division is based at Lewisville, Texas.
- (C) Southeast Division. Electric transmission and distribution systems serving 14 municipalities and 2 unincorporated communities in 3 counties on the Texas Gulf Coast. The division is based at Texas City, Texas.
- (D) Western Division. Electric transmission and distribution systems serving 6 municipalities and 1 unincorporated community in 5 counties in West Texas. The division is based at Pecos, Texas.

Generating facilities owned by TNP and the subsidiaries are located within Robertson County, Texas, which is in the Central part of Texas. The generating facilities are referred to as 150 MW, circulating fluidized bed units currently using lignite as the fuel source. TNP also has a transmission line connecting these units to a major transmission grid in Texas. Electricity from these units is sold by TNP solely within Texas. Neither the claimant nor any of its subsidiaries own transmission lines which deliver or receive electricity at the border of Texas.

Within New Mexico, TNP is a regulated public utility engaged in the generation, transmission, distribution and sale of electric energy. TNP has one division in the southwestern portion of New Mexico which operates electric transmission and distribution facilities. The largest municipalities served by TNP are Silver City, Alamogordo, and Ruidoso. The division serves 5 municipalities and 5 unincorporated communities in Grant and Hidalgo Counties, and 4 municipalities and 1 unincorporated community in Otero and Lincoln Counties. The New Mexico Division is based at Silver City, New Mexico.

3. The following information, together with certain additional data for the calendar year 1993, with respect to claimant and its subsidiaries, is provided in the following chart:

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	Texas (1)-----			New Mexico		Total System-----		
	TNP	TGC	TGC II	TNP	TNP	TGC	TGC II	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	
Operating Revenue	\$394,704,359	0	0	79537927	474242286	0	0	
	83.2%	0.0%	0.0%	16.8%	100.0%	0.0%	0.0%	
Net Utility Plant	\$539,031,481	187757025	200612363	78594207	617625688	187757025	200612363	
	87.3%	100.0%	100.0%	12.7%	100.0%	100.0%	100.0%	
Total Customers	170765	0	0	41146	211911	0	0	
	80.6%	0.0%	0.0%	19.4%	100.0%	0.0%	0.0%	
KWH Sold								
Wholesale	3244831	0	0	0	3244831	0	0	
Retail	4874706557	0	0	1408925389	6283631946	0	0	
Total System	4877951388	0	0	1408925389	6286876777	0	0	
KWH Purchased	2881150364	0	0	1504546156	4385696520	0	0	

<FN>

(1) No KWH are purchased or sold at the State line.

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4. Neither the claimant nor any of its subsidiaries are directly or indirectly involved with, or have an interest in either an Exempt Wholesale Generator or a foreign utility company.

Exhibit A. A consolidating statement of earnings of the claimant and its subsidiary companies for the last calendar year, 1993, together with a consolidating balance sheet of claimant and its subsidiary companies as of the close of the 1993 calendar year, is presented.

The above named claimant has caused this statement to be duly executed on its behalf by its authorized officer on this 24th day of February, 1994.

TNP Enterprises, Inc.

By /s/ D. R. BARNARD
D. R. Barnard
Vice President and Chief
Financial Officer

Corporate Seal

Attest:

/s/ M. D. BLANCHARD
M. D. Blanchard
Secretary

The name, title and address of the officer to whom notices and correspondence concerning this statement should be addressed is:

M. D. Blanchard	Secretary
Name	Title

P. O. Box 2943, Fort Worth, Texas 76113
Address

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Exhibit A
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TNP ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENTS OF EARNINGS (UNAUDITED)
YEAR ENDED DECEMBER 31, 1993

ENTRIES	CONSOLIDATED	TNP TNP (C)*	OPERATING	TNP BAYPORT	CONSOLIDATING ENTERPRISES		
<S>		<C>	<C>	<C>	<C>	<C>	<C>
Operating revenues		\$474,242,286					474,242,286
Operating expenses:							
Power purchased for resale		200,182,601					200,182,601
Fuel		44,348,051					44,348,051
Other operating and general expenses		69,406,417					69,406,417
Maintenance		11,459,576					11,459,576
Depreciation of utility plant		36,015,047					36,015,047
Taxes, other than on income		30,296,362					30,296,362
Income taxes		4,293,814					4,293,814
Total operating expenses		396,001,868					396,001,868
Net operating income		78,240,418					78,240,418
Other income (expense), net of taxes		1,223,600	(11,086)	3,288	10,735,081	(10,645,255)	1,305,628
Earnings (loss) before interest							

charges	79,464,018	(11,086)	3,288	10,735,081	(10,645,255)	79,546,046
Interest charges:						
Interest on long-term debt	63,833,428					63,833,428
Other interest and amortization of debt discount, premium and expense	4,411,273					4,411,273
Allowance for borrowed funds used during construction	(303,308)					(303,308)
Total interest charges	67,941,393					67,941,393
Net earnings (loss)	11,522,625	(11,086)	3,288	10,735,081	(10,645,255)	11,604,653
Dividends on preferred stock	878,572					878,572
Earnings (loss) available for common stock	\$10,644,053	(11,086)	3,288	10,735,081	(10,645,255)	10,726,081

<FN>

* (C) means consolidated financial statements, which include the accounts of Texas-New Mexico power Company and its wholly owned subsidiaries, Texas Generating Company (TGC) and Texas Generating Company II (TGC II) which were organized on June 6, 1988 and May 10, 1991, respectively.

All intercompany transactions and balances have been eliminated in consolidation.

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Exhibit A
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TNP ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEETS (UNAUDITED)
DECEMBER 31, 1993 AND 1992

CONSOLIDATED

31, DECEMBER 31,	TNP	CONSOLIDATING DECEMBER					
Assets	TNP (C) *	OPERATING	BAYPORT	TNPE	ENTRIES	1993	1992
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Utility plant, at original cost:							
Electric plant	\$1,203,635,528					1,203,635,528	1,184,634,262
Construction work in progress	5,282,381					5,282,381	3,922,466
	1,208,917,909					1,208,917,909	1,188,556,728
Less accumulated depreciation	202,922,833					202,922,833	172,847,803
Net utility plant	1,005,995,076					1,005,995,076	1,015,708,925
Nonutility property, at cost	541,364	1,131,297				1,672,661	1,321,634
Investment in and advances to affiliates				215,494,479	(215,494,479)		
Current assets:							
Cash and cash equivalents	2,078,166	53,958	170,952	10,120,329		12,423,405	86,785,390
Intercompany receivables	20,311			579,093	(599,404)	0	0
Customer receivables	764,166					764,166	121,903
Refundable income taxes							2,635,635
Inventories, at lower of average cost or market:							
Fuel	1,421,886					1,421,886	1,246,191
Materials and supplies	7,792,732					7,792,732	7,184,694
Deferred purchased power and fuel costs	15,150,904					15,150,904	17,734,978
Accumulated deferred taxes on income	4,250,651					4,250,651	0
Other current assets	1,070,580	584				1,071,164	546,239
Total current assets	32,549,396	54,542	170,952	10,699,422	(599,404)	42,874,908	116,255,030
Regulatory tax assets	16,915,298					16,915,298	0
Deferred charges	39,117,969			(1,338,508)		37,779,461	49,421,503
	\$1,095,119,103	1,185,839	170,952	224,855,393	(216,093,883)	1,105,237,404	1,182,707,092
Capitalization and Liabilities							
Capitalization:							
Common stock equity:							
Common stock, - no par value per share. Shares authorized 50,000,000; issued 10,695,860 in 1993 and 10,597,564 in 1992	\$107,050	100,000	1,000	131,615,425	(208,050)	131,615,425	129,813,785
Capital in excess of par value or additional Capital	175,094,292	100,000			(175,194,292)	0	0
Retained earnings	38,983,329	961,406	147,402	82,011,535	(40,092,137)	82,011,535	88,621,101
Total common stock equity	214,184,671	1,161,406	148,402	213,626,960	(215,494,479)	213,626,960	218,534,886
Redeemable cumulative preferred stocks	9,560,000					9,560,000	10,440,000

Long-term debt, net of amount due within one year	678,993,619					678,993,619	742,086,892
Total capitalization	902,738,290	1,161,406	148,402	213,626,960	(215,494,479)	902,180,579	971,061,778
Current liabilities:							
Long-term debt due within one year	1,070,000					1,070,000	10,288,000
Intercompany payable	541,554	14,989	22,550	20,311	(599,404)	0	0
Accounts payable	22,449,596					22,449,596	25,809,406
Accrued interest	16,115,136					16,115,136	8,868,849
Accrued taxes	17,464,453			(243,249)		17,221,204	22,243,238
Customers' deposits	4,463,589					4,463,589	4,236,278
Revenue subject to refund	3,400,038					3,400,038	17,514,778
Other current and accrued liabilities	13,404,062	9,444		(1)		13,413,505	8,028,889
Total current liabilities	78,908,428	24,433	22,550	(222,939)	(599,404)	78,133,068	99,989,439
Customers' advances for construction	169,472					169,472	310,515
Regulatory tax liabilities	20,411,701					20,411,701	0
Accumulated deferred taxes on income	75,809,112			10,185,714		85,994,826	93,879,376
Accumulated deferred investment tax credits	17,082,100			1,265,658		18,347,758	20,465,985
	\$1,095,119,103	1,185,839	170,952	224,855,393	(216,093,883)	1,105,237,404	1,182,707,092

<FN>

*(C) means consolidated financial statements, which include the accounts of Texas-New Mexico power Company and its wholly owned subsidiaries, Texas Generating Company (TGC) and Texas Generating Company II (TGC II) which were organized on June 6, 1988 and May 10, 1991, respectively.

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