

Item 1.01 Entry into a Material Definitive Agreement.

PNM Resources, Inc. (the "Company") has previously disclosed its 2006 Officer Incentive Plan (the "Incentive Plan") in its Current Report on Form 8-K dated December 9, 2005. At that time, the performance goals for J. E. Sterba, Chairman, President and Chief Executive Officer of the Company, had not been determined. On March 28, 2006, the Board of Directors (the "Board") of the Company approved 2006 Incentive Plan performance goals for Mr. Sterba. Those goals relate to the following categories of performance:

- Financial performance;
 - Growth;
- Public policy engagement;
- Constituency development; and
 - Governance.

On March 27, 2006, the Human Resources and Compensation Committee of the Board amended the Incentive Plan to reflect the earnings range guidance provided by the Company in its earnings release dated January 31, 2006.

SIGNATURE

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.

(Registrant)

Date: March 31, 2006

/s/ Thomas G. Sategna

Thomas G. Sategna

Vice President and Corporate Controller
(Officer duly authorized to sign this report)

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