

2017

Corporate Sustainability Report



Forward-looking Statements

Certain matters discussed in this Corporate Sustainability Report, other than statements of historical fact, are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

Forward-looking statements often include words like we “believe”, “anticipate”, “target”, “project”, “expect”, “predict”, “pro forma”, “estimate”, “intend”, “will”, “is designed to”, “plan” and words of similar meaning, or are indicated by the Company’s discussion of strategies or trends. Forward-looking statements describe the Company’s future plans, objectives, expectations or goals and include, but are not limited to, statements regarding anticipated customer growth rates; the expected commercial operation date of the Holloman Air Force Base Solar Project; the anticipated benefits of our sustainability efforts and projects; and the anticipated effects our sustainability efforts will have on our operational and financial performance going forward. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurances can be given that these expectations will prove to be correct. Forward-looking statements by their nature involve substantial risks and uncertainties that could significantly impact expected results, and actual future results could differ materially from those described in such statements. While it is not possible to identify all factors, the Company continues to face many risks and uncertainties. A discussion of some of these factors is included in El Paso Electric’s 2017 Annual Report available on our website at www.epelectric.com. Management cautions against putting undue reliance on forward-looking statements or projecting any future results based on such statements or present or prior earnings levels. Any forward-looking statement speaks only as of the date such statement was made, and the Company is not obligated to update any forward-looking statement to reflect events or circumstances after the date on which such statement was made, except as required by applicable laws or regulations.

Table of Contents

Letter from our CEO.	2
Introduction.	4
Environmental, Social and Governance/Sustainability Template.	4
ESG/Sustainability Governance.	4
ESG/Sustainability Strategy.	4
Sustainability Plans for Transitioning to a Lower Carbon Future.	5
El Paso Electric Company Profile.	6
Economic Profile.	8
Generation Profile.	8
Renewable Energy Portfolio.	9
Environmental Stewardship.	11
Air Quality.	12
Greenhouse Gases and Carbon Footprint.	13
EPE Air Quality Scorecard.	14
Electric and Hybrid Vehicles.	15
Biodiversity.	16
Avian Program.	16
Bees.	17
Vegetation Management.	17
Water.	18
Waste Management.	19
Spill Prevention and Response Program.	19
EEI ESG/ Sustainability Template.	20
Social Responsibility.	22
Safety.	23
Employees.	24
Summer High School Internship Program.	25
College Internship and Cooperative Programs.	25
Doña Ana Community College Electrical Lineworker Certification Program.	25
Apprentice Program.	26
Lineman’s Rodeos.	26
Powerful Women Resources Program (PWR).	26
Supplier Diversity.	27
Customers.	27
Energy Efficiency.	28
Power Outages.	29
Community.	30
Power Restoration Efforts in North Texas and Florida.	30
Local Community Outreach.	30
EPE and the Military.	31
Renewables and Community Outreach.	31
2018 and Beyond.	32
About This Report.	32
Appendix.	34

Letter from our CEO



El Paso Electric Company has long adopted a culture of corporate responsibility and environmental stewardship. In recent years, we have achieved significant milestones in these areas while continuing to celebrate growth and development in the region we serve.

In 2016, we completed the sale of our ownership interest in the Four Corners Power Plant, making us a coal-free utility. Our coal-free status enables us to make use of cleaner technologies that are both more efficient and more responsive to changes in demand. In 2017, our Texas Community Solar Program came online, allowing our customers the opportunity to subscribe to meet a portion of their energy consumption with renewable energy.

With these milestones, we recognized a need to communicate and make public our efforts and achievements around environmental and corporate sustainability initiatives, leading us to publish our first Corporate Sustainability Report.

Eliminating coal from our generation portfolio and expanding our utility scale solar offerings are centerpieces of our recent accomplishments, but our sustainability initiatives extend across our organization and into our communities; from reducing our carbon footprint to increasing our supplier diversity. We have reduced our use of pesticides and revised our vegetation management strategies to become better stewards of the environment.

Consistent with our mission, we continue to provide safe, clean, affordable and reliable energy. Our safety culture continues to mature, with the advent of direct engagement by all senior management with our field crews. Our rate of greenhouse gas emissions decreased and we continue to rank in the top 25% in carbon emission metrics across U.S. electric utilities. We continue to expand our renewable portfolio, surpass our energy efficiency goals and exceed customer satisfaction national averages.

This is an exciting time in our history and we foresee even bigger accomplishments in 2018. We debuted our pilot Demand Response program in 2017, allowing customers to voluntarily subscribe to help lower peak demand during the times of highest energy usage, and we continue evaluating those technology benefits as well as studying electric vehicles, charging stations, advanced metering and other technological advancements.

Our successes in 2017 would not have been possible without the more than 1,100 dedicated employees who work hard every day to provide outstanding levels of service to our customers in west Texas and southern New Mexico. We are proud of our accomplishments over the past year, and we look forward to continuing our commitment to environmental stewardship and corporate sustainability as we serve our region in 2018 and beyond.

A handwritten signature in black ink that reads "Mary E. Kipp". The signature is fluid and cursive.

Mary E. Kipp
President & CEO



Introduction

Sustainability at El Paso Electric Company (EPE or the Company) is a strategic approach to protect the environment and support our communities while engaging employees and customers with a focus on long-term business viability. With the release of EPE's first Corporate Sustainability Report, we are demonstrating our commitment to transparency and continuous improvement with regard to Environmental, Social and Governance (ESG)/ Sustainability performance.

Environmental, Social and Governance/Sustainability Template

As a member company of the Edison Electric Institute (EEI), EPE is voluntarily reporting 2017 ESG/Sustainability metrics in accordance with EEI's new reporting template. As the trade association representing United States (U.S.) investor-owned utility companies, EEI is calling on its members to voluntarily report metrics, initiatives and goals "designed to support the transition to a lower carbon and increasingly sustainable future." EPE is incorporating the most current version of the EEI template within this 2017 Corporate Sustainability Report.

ESG/Sustainability Governance

In September 2017, EPE completed a reorganization to facilitate a focus on sustainability through our customer facing, human resources, safety and environmental activities Company-wide. We created a Director of Sustainability position to lead the development of the Company's sustainability strategy. Our Sustainability Director reports to our Senior Vice President and Chief Administrative Officer, and the team collaborates routinely with Operations and other departments to promote integration of sustainability into all aspects of our business. At the Board of Directors level, the Energy Resources and Environmental Committee oversees environmental and climate change issues. For a comprehensive description of our Board of Directors' composition and qualifications, please refer to the 2018 Proxy Statement.

ESG/Sustainability Strategy

Though led by our Director of Sustainability and our Environmental Department, formalized sustainability efforts are collaborative throughout EPE. All of our employees and departments play a significant role in the following areas of focus:

- Creation of performance metrics and goals to promote efficient utilization of resources and assets with focus on reducing environmental impact.
- Identification and improvement of business process to better account and plan for sustainability issues.
- Educating the workforce to enhance resource optimization and promoting a community and customer focused mindset.
- Commitment to routinely sharing progress towards identified goals with employees, customers, investors and other stakeholders.

Benefits of this formalized sustainability approach include these aspects:

- Minimized environmental impacts of our operations.
- Reduced exposure to regulatory uncertainty.
- Satisfying sustainability information requests from the investment community.
- Enhanced customer engagement.
- Decreased long term compliance-based risk and spend.

These areas of focus are integrated into our Strategic Plan, including specific sustainability projects, with progress reviewed quarterly by our President and Chief Executive Officer. In addition, our Enterprise Risk Management process incorporates changing business environment issues, including but not limited to climate change, water supply, renewables integration and growth, and environmental emerging regulatory and policy issues.

Sustainability Plans for Transitioning to a Lower Carbon Future

In July 2016, EPE divested our seven-percent ownership of Units 4 and 5 of the coal-fired Four Corners Power Plant near Farmington, New Mexico, rendering our generation portfolio coal-free. Concurrent with divesting our coal interests, we have expanded our renewables portfolio, specifically our utility scale solar generation. These recent milestones will avoid more than one billion pounds of carbon dioxide emissions annually. This is equivalent to taking 190,000 cars off the road or planting 20 million trees.

The Company is currently engaged in two formal processes to evaluate future resources, the results of which will drive our carbon strategies moving forward. In June 2017, EPE issued an All-Source Request-for-Proposal (RFP) for 50 megawatts (MW) of capacity by 2022 and an additional 320 MW of capacity by 2023.

Similarly, in May 2017, the Company initiated the Public Advisory Process for our 2018 New Mexico Integrated Resource Plan (IRP) filing. The goal of the IRP process is “to identify the most cost effective portfolio of resources to supply the energy needs of customers. For resources whose costs and service quality are equivalent, the utility should prefer resources that minimize environmental impacts.” (17.7.3.6 New Mexico Administrative Code).

It is EPE’s goal and regulatory obligation to provide continued reliable electric service to our customers at the lowest reasonable cost and in an environmentally conscious manner. The current RFP and IRP processes, each subject to regulatory review, include detailed reviews of technical, economic and environmental factors. These processes themselves are critical components of our carbon reduction and broad sustainability efforts. Given the timing of these two efforts and the issuance of our first Corporate Sustainability Report, we are delaying the formalization of quantitative goals pending their conclusion. At this time, we are focusing on the transparent release of industry prescribed metrics and preliminary qualitative strategies to transition to a lower carbon, more sustainable future. These strategies include continuing evaluations of technological advancements such as electric vehicles, charging stations, and advanced metering, and planning additional utility-scale solar projects such as a New Mexico community solar project. EPE intends to share more detailed plans in our next Corporate Sustainability Report, at future Investor Relations presentations, and/or in other public reports.



El Paso Electric Company Profile

EPE first began serving customers on August 30, 1901. At that time, we were known as the El Paso Electric Railway Company, with the primary business of providing transportation via mule-drawn streetcars. Today, EPE is a public utility providing generation, transmission, and distribution service to approximately 418,000 retail and wholesale customers in a 10,000 square mile area of the Rio Grande Valley in west Texas and southern New Mexico. The Company's common stock trades on the New York Stock Exchange (NYSE) under the symbol "EE."

The Company's main office is located in the Stanton Tower in downtown El Paso, Texas. Local generation facilities include the Rio Grande Power Station in Sunland Park, New Mexico; the Newman Power Station, the Copper Power Station, and the Montana Power Station, all located in El Paso County, Texas. Outside of our service territory, EPE has a 15.8% interest in the Palo Verde Generating Station in Wintersburg, Arizona. As of December 31, 2017, the Company's energy sources consisted of approximately 49% nuclear fuel, 36% natural gas, 15% purchased power (including renewables) and less than 1% generated by Company-owned solar photovoltaic panels.

The Company owns, or has significant ownership in, four 345 kilovolt (kV) transmission lines in New Mexico and Arizona and three 500 kV lines in Arizona. These lines enable the Company to deliver energy entitlements from remote generation sources at Palo Verde and, prior to July 6, 2016, Four Corners Power Plant, to our service territory. The Company also owns the transmission and distribution network within our New Mexico and Texas retail service area and operates these facilities under franchise agreements with various municipalities.

EPE has a net dependable generating capability of 2,082 MW. In 2017, EPE set a new native system peak of 1,935 MW which is 43 MW higher than the peak established in 2016. Native system peak has increased by 67% since 2000. EPE has experienced and anticipates a continued customer growth rate that exceeds the national average.



Service Territory



-  Generating Station
-  Major Distribution Stations
-  Company Lines



The rates and services of the Company are regulated by incorporated municipalities in Texas, the Public Utility Commission of Texas (PUCT), the New Mexico Public Regulation Commission (NMPRC), and the Federal Energy Regulatory Commission (FERC). Municipal orders, ordinances, and other agreements regarding rates and services adopted by Texas municipalities are subject to review and approval by the PUCT. The FERC has jurisdiction over the Company's wholesale (sales for resale) transactions, transmission service and compliance with federally-mandated reliability standards. The decisions of the PUCT, the NMPRC, and the FERC are subject to judicial review.

Economic Profile

Year ¹	2015	2016	2017
Operating Revenues ²	\$849,869	\$886,936	\$916,797
Operating Income ²	\$146,191	\$194,861	\$198,254
Net Income ²	\$81,918	\$96,768	\$98,261
Basic Earnings per Share (Net income)	\$2.03	\$2.39	\$2.42
Total Assets ^{1,2}	\$3,200,607	\$3,376,278	\$3,484,363

¹Numbers are for the calendar years except for Total Assets which are as of year-end

²Numbers are in thousands except for per share data

Generation Profile

EPE has a diverse energy generation portfolio based primarily in nuclear and natural gas. In 2016, EPE divested our seven-percent ownership of the coal-fired Four Corners Power Plant. In May 2017, we brought our first Community Solar Program online.

Fuel Type	Net Generation (MWh) ¹		
	2015	2016	2017
Coal	657,744	175,258	NA
Natural Gas	3,790,197	3,550,441	3,835,734
Nuclear	5,136,686	5,093,844	5,109,325
Renewables (Solar)	462	463	5,816
Purchased Power	1,390,946	1,552,251	1,540,841

¹Net Generation as reported in FERC Form 1

Renewable Energy Portfolio

EPE is committed to providing cost-effective renewable energy through enhanced solar offerings and services to our customers. In 2017, EPE’s renewable energy portfolio consisted of 107 MW of solar capability through Purchase Power Agreements (PPAs) and 3.2 MW through EPE-owned solar facilities.

2017	MWh Generated in 2017	Equivalent to Powering (Homes)
Renewable Purchased Power Agreements	292,079	38,500
EPE-Owned Solar Facilities	5,816	

Community Solar Program

In response to high customer interest in renewable energy, EPE developed and implemented our first voluntary Community Solar Program. Customers subscribing to the program reserve a portion of the energy produced by the Community Solar facility for their homes or businesses, with a minimum subscription of 1 kW. The project was fully subscribed within one month, and a waiting list remains in place while we explore ways to expand community solar in our territory. Monthly newsletters are distributed to community solar customers to provide updates on monthly production of the solar facility and environmental impacts. The Community Solar Program helps avoid over 11 million pounds of CO₂ emissions annually.

2017 Community Solar Statistics

Customer Class	Number of Customers	Approved Capacity (kW)
Residential	1,430	2,861
Small Commercial	33	99.5
Commercial and Industrial	5	39.5
Total	1,468	3,000

Holloman Air Force Base Solar Project

In November 2017, EPE broke ground on the construction of a 5-MW utility-scale solar facility to serve Holloman Air Force Base (HAFB). The solar facility will be an EPE-owned, dedicated energy resource for HAFB, and is the first renewable energy project that EPE is building to serve a military installation. The solar facility is located on a 42-acre site within HAFB in New Mexico. The new facility will utilize almost 56,000 thin-film modules and will generate enough clean energy to power more than 1,700 homes annually. This solar project will also help the Air Force meet its renewable and energy security goals.

This project will reduce annual CO₂ emissions by over 18 million pounds, the equivalent of taking 2,000 cars off the road, and will also save approximately 9 million gallons of water annually. Its commercial operation date is expected to be in the third quarter of 2018.

Distributed Generation

Since 2008, we have been interconnecting customers' distributed generation (DG) systems, such as rooftop solar. The average interconnected residential system is 5.35 kW, while commercial customers have systems of 100 kW or greater. As of December 2017, we had approximately 36 MW of distributed generation on our system, including 26 DG systems with battery storage.

Distributed Generation Statistics

2017	Number of Customers	Capacity (MW)
Texas	3,488	19
New Mexico	2,766	17
Total	6,254	36

Year	2015	2016	2017
Interconnection Applications	1,259	1,579	1,610
Total Interconnected Capacity (kW)	6,242	7,468	8,373

Environmental Stewardship

EPE is committed to protecting natural resources and maintains a proactive stance on environmental stewardship. Every day we work to bring cleaner, greener, and more efficient power to our customers. To keep our carbon footprint low, we continue to rely on a low-emitting generation asset mix that includes nuclear, natural gas, and renewables.

All employees receive environmental compliance training specifically tailored to their duties; for example, operations employees are trained to perform air emissions monitoring, spill reporting and response, waste management, and aviary protection duties as applicable.

Environmental Scorecard

Category	2015	2016	2017
Agency Inspections ¹	6	30	11
Notices of Violation (NOV) ²	1	1	3
Avian Incidents	21	29	12
Reportable spills	14	18	18

¹Included in the Agency Inspection totals are 5 inspections of EPE's right-of-way (ROW) by the U.S. Bureau of Land Management (BLM) in 2015, 24 in 2016, and 6 in 2017.

²2015 and 2016 NOVs correspond to ROW inspections by the BLM; 2017 NOVs correspond to air and waste authorizations.



Air Quality

At EPE, our commitment is to produce electricity with minimal impact to the environment, including reducing air emissions to the greatest extent practicable, while ensuring reliability and other compliance obligations are met. Power generation equipment meets or exceeds air quality standards and incorporates pollution control processes to protect local air quality. Regarding greenhouse gases (GHG) and our carbon footprint, EPE is committed to informing key stakeholders and investors of the Company's environmental impact on an annual basis and to remaining proactive on pertinent emerging regulations and legislation.



Greenhouse Gases and Carbon Footprint

With this Corporate Sustainability Report, EPE is establishing the foundation upon which continued GHG emission reduction opportunities will be examined and prioritized. While electricity generation remains a significant contributor to total U.S. carbon emissions, in recent years, our industry has successfully lowered total emissions primarily by shifting to cleaner fuel sources. EPE positively contributes to that trend with our low carbon portfolio. While we already have a low GHG emission rate due to our investment in zero-emission nuclear assets and primarily natural-gas generation, the Company remains focused on ways to further reduce absolute emissions, while meeting continuous load growth in our service territory.

Among the top 100 power producers in the U.S., EPE ranked¹ in the top 25% for lowest CO₂ emission rate from all generating sources and in the top 20% for lowest total CO₂ emissions.

¹M. J. Bradley & Associates (2017). *Benchmarking Air Emissions of the 100 Largest Electric Power Producers in the United States*.

CO_{2e}¹ Emissions (Metric Tons)

Source	2015	2016	2017	Percent change from 2016 to 2017
Direct Emissions from Stationary Combustion Units	2,042,912	2,015,891	2,206,635	0.3%
Direct Emissions from Mobile Combustion	4,305	4,390	4,461	
Direct Emissions from Electric T&D	31,425	8,258	3,749	
Direct Emissions from Four Corners	640,442	178,351	0	
Direct Emissions from Natural Gas Fugitives	2,235	2,235	2,235	
Indirect Emissions from Energy Purchased	53,605	62,515	61,580	
Total CO_{2e} Emissions	2,774,924	2,271,640	2,278,660	

¹CO_{2e} is comprised of carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and sulfur hexafluoride (SF₆)

As shown above, EPE remained nearly level in our total carbon footprint from 2016 to 2017. Though we divested our coal interests, we did sustain load growth and served that growth with local generation. The recent installation of natural gas-fired simple cycle combustion units at Montana and Rio Grande Power Stations allows for greater operational flexibility and decreases the use of older, more CO₂ intense, generating units. These quick start units complement the increased deployment of solar in the region, as this technology allows rapid response to sudden changes in solar intensity, while maintaining reliability and compliance. EPE will require focused dispatch considerations to sustain a continued reduction in our carbon emission rate.

Carbon Footprint¹ Trend

Year	Short tons of CO _{2e} /MWh (Ownership)	Percent Reduction from 2016 to 2017
2017	0.274	3%
2016 ²	0.284	
2015	0.326	

¹Carbon footprint is comprised of emissions of carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O) from the fuel combustion at the power plants, from fluorinated gases (SF₆) from transmission and distribution equipment, and CO₂ emissions from our vehicle fleet. Rate reflects gross generation.

²2016 National Average was 0.514 short tons of CO_{2e}/MWh

EPE Air Quality Scorecard

EPE recognizes the importance of ensuring reliability of electric service for our customers at the lowest reasonable cost, in an environmentally conscious manner. Our newest power plant, Montana Power Station, balances these imperatives. The first two gas turbines began commercial operation in March 2015, and the second two began commercial operation in May and September of 2016. Local natural gas units served the load demand previously served by the Four Corners Power Plant, as was reflected in a local generation emissions increase from 2016 to 2017.

Total Criteria Pollutant (Tons)¹

Parameter	2015	2016	2017
Nitrogen Oxides (NOx)	2,802	2,456	2,665
Carbon Monoxide (CO)	516	376	528
Particulate Matter (PM)	193	195	195
Sulfur Dioxide (SO ₂)	12	9	11

¹Criteria pollutant totals are for local generation only (natural gas).

Electric and Hybrid Vehicles

EPE's fleet electrification efforts began with the addition of an electric Nissan LEAF in 2014. Fleet electrification reduces fuel and maintenance costs, improves vehicle performance and safety and reduces air emissions associated with transportation. In 2017, EPE's hybrid fleet vehicles reduced gasoline consumption by 1,333 gallons and diesel consumption by an estimated 152 gallons, equivalent to reducing CO₂ emissions by 17.7 tons. This is an increase over the 9.2 tons of estimated CO₂ savings in 2016. In addition, running the Electric Power Take-Off (ePTO) bucket trucks silently over an estimated 190 hours in 2017 reduced noise pollution and improved operator safety.

Electric and Hybrid Vehicles

Vehicle Make and Model	Number of Vehicles	Alternative Fuel Type
Ford Fusion Hybrid	1	Flex E85
Toyota RAV4 Hybrid	3	Unleaded
Ford Fusion Energi Plug-Ins	3	Flex E85
Ford F-550 ePTO bucket trucks	5	Diesel
Total	12	3% of total vehicle fleet

Biodiversity

EPE takes great care to limit any negative impact of our operations to regional wildlife. EPE employees are trained to identify and address wildlife issues; we regularly collaborate with a variety of agencies to ensure appropriate precautions are taken and work to maintain comprehensive wildlife management programs.

Avian Program

EPE supports and protects avian species and other wildlife found within our service territory, proactively working to prevent incidents with our infrastructure. EPE continuously researches additional protection options to prevent outages and mitigate harm to avian species. EPE is an active member of Avian Power Line Interaction Committee (APLIC) and collaborates with other utilities in an effort to continue implementing and developing industry approved Best Management Practices (BMP) that strive to reduce avian fatalities and disturbance.

In 2017, EPE's Distribution Standards Department reviewed and updated our avian protection equipment used in distribution construction. This effort led to the development of an avian protection specification within our Distribution Standards Manual and the use of improved protection products.

In addition, EPE has made great efforts to perform large vegetation clearing activities for new projects outside of the migratory bird nesting season. Performing vegetation clearing outside of the nesting season reduces EPE's impact on nesting birds and fledglings that are unable to fly. To mitigate impacts, EPE routinely performs nest surveys prior to land clearing activities. Active nests are avoided or relocated in accordance with EPE's wildlife permits.



Bees

Bees provide vital ecosystem services through their pollination. It is not unusual for EPE personnel to encounter hives in transformers, underground vaults, and wooden distribution poles. In 2016, as an alternative to extermination, EPE entered into an agreement with a local beekeeper to remove and transport bees and associated hives from infrastructure whenever practicable. Since that time, EPE has relocated 14 colonies and over 300,000 bees. New hives are established in boxes using honeycomb from the source location.

EPE is proud to engage in bee removal rather than extermination. Our partnership with a local beekeeper and agricultural enterprises is another demonstration of the Company's commitment to environmental stewardship in our community.

Vegetation Management

EPE strives to utilize vegetation maintenance practices that minimize erosion and maintain seed sources and root systems when clearing access for transmission operations and maintenance activities. In 2017, EPE utilized a compact track loader that allows us to mulch above ground vegetation, leaving the root system intact and reducing soil disturbance. This minimizes long term impacts to natural resources caused from up-rooting vegetation and blading an area to bare soil. The mulch left behind and the rapid regrowth of the intact root system provide soil protection, which is a proven best management practice in conservation efforts.

This strategy has been an effective and efficient vegetation removal alternative, which is preferred by state and federal land management agencies when vegetation clearing is required.

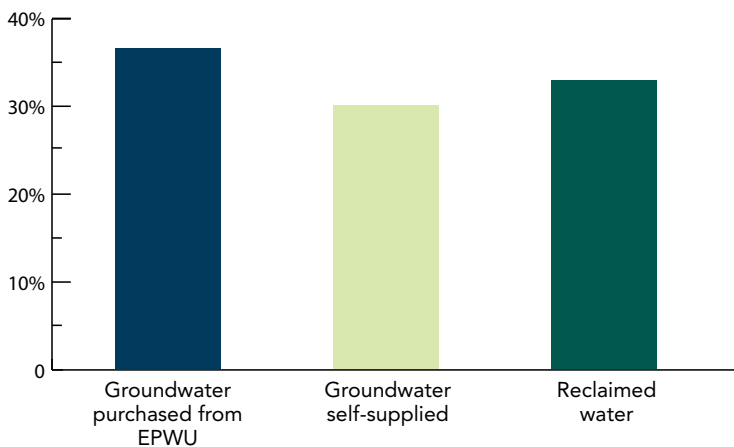


Water

Water is one of the most critical components for power generation; it's the lifeblood of operations. At EPE, most water is used for cooling purposes and as a pollution control method to reduce NOx emissions. EPE recognizes water is a valuable resource, especially because we live in a desert environment where water can be scarce. EPE, along with El Paso Water Utilities (EPWU), is constantly looking for alternative water strategies that will maximize water conservation.

That is the case at the Newman Power Station in northeast El Paso, where we use reclaimed water provided by EPWU Fred Hervey Water Reclamation Plant for cooling purposes. Water within power generation is recycled internally three to five times. Water blowdown from the Newman Power Station is re-used to irrigate grazing land at a neighboring ranch. The Rio Grande Power Station in New Mexico relies on self-supplied untreated groundwater for use in cooling towers and heat exchangers. EPE's remaining water needs are fulfilled with purchased groundwater from EPWU that is sourced from the Hueco-Mesilla Bolson Aquifer.

2017 Percentage Profile of EPE Water Sources (Local Generation)



Water Source	Total Volume 2017 (Gal.)
Groundwater purchased from EPWU	775,810,640
Groundwater self-supplied	616,545,000
Reclaimed water	686,388,736

Our consumptive water usage rates vary by generation technology. Montana Power Station has the most water efficient cooling technology within our generation fleet. Rio Grande and Newman Power Stations have a combination of our older, more water intensive, boiler units and newer gas turbines. Copper Generating Station does not have a cooling tower and only uses water for pollution control purposes.

2017 Water Rates: EPE-Owned Generation

Power Station	Water Consumption ^{1,2} (gal/kWh)
Montana	0.20
Rio Grande	0.74
Newman	0.59
Copper	0.10
Palo Verde	0.73

¹Rio Grande, Newman and Montana water consumption data calculated based on gross generation, maximum cooling tower rate, and 2017 unit capacity factor

²EPE's water consumption from Palo Verde is estimated as 15.8 percent (EPE's ownership) of water consumed by Units 1, 2, and 3.

In 2017, the Montana Power Station process wastewater evaporation ponds received an Engineering Excellence Award for Innovation from the American Council of Engineering Companies-New Mexico. The two 21-acre, 57 million gallon storage ponds' innovative design features exceed compliance requirements and integrate latest technologies to enhance environmental protection.

Waste Management

As an alternative to filling landfills, EPE has in place an Investment Recovery program to sell, donate, recycle, and/or repurpose surplus or idle assets generated by the Company. In 2017, over 140 tons of metals and scrap materials were sold to a recycling company. In addition, EPE encourages employees to practice recycling at all facilities and at home.

Spill Prevention and Response Program

EPE's Spill Prevention and Response Program requires the preparation of a Spill Prevention, Control, and Countermeasures (SPCC) plan at facilities having the potential to discharge oil into navigable water of the United States. Monthly inspections are conducted of oil containing equipment and secondary containments. Annual training is required and provided for all employees with responsibilities associated with the program. EPE continues to reduce the risk of oil discharge to the environment by upgrading storage tank and ancillary systems and consolidating back-up fuel oil storage at our power plants.

EEI ESG/Sustainability Template – Section 2: Quantitative Information

Disclaimer: All information below is being provided on a voluntarily basis, and as such, companies may elect to include or exclude any of the topics outlined below and customize the template to their specific needs. The decision to include data for historical and future years is at the discretion of each company and the specific years (e.g., historical baseline) should be chosen as appropriate for each company.

Note: Definitions for each metric and data sources not specified in the Comments column of this table are presented in the Appendix Section of the report

Parent Company: El Paso Electric Company
Operating Company(s): El Paso Electric Company
Business Type(s): Vertically Integrated
State(s) of Operation: Texas and New Mexico
State(s) with RPS Programs: New Mexico
Regulatory Environment: Regulated
Report Date: August 2018

Ref. No.	Refer to the Definitions tab for more information on each metric	2015 <i>Actual</i>	2016 <i>Actual</i>	2017 <i>Actual</i>	Comments, Links, Additional Information, and Notes
Portfolio					
1	Owned Nameplate Generation Capacity at end of year (MW)				
1.1	Coal	115	115	NA	Source: EIA Form 860. EPE owned 7% interest in Units 4 and 5 at Four Corners Power Plant until July 6, 2016
1.2	Natural Gas	1630	1893	1878	Source: FERC Form 1
1.3	Nuclear	669	669	669	Source: FERC Form 1. EPE owns 15.8% interest in Palo Verde Generating Station in Wintersburg, Arizona
1.4	Petroleum	NA	NA	NA	Summation of Items 1.5.1-1.5.5
1.5	Total Renewable Energy Resources	1.5	0.2	3.2	
1.5.1	Biomass/Biogas	NA	NA	NA	
1.5.2	Geothermal	NA	NA	NA	
1.5.3	Hydroelectric	NA	NA	NA	
1.5.4	Solar	0.2	0.2	3.2	Source: FERC Form 1
1.5.5	Wind	1.3	NA	NA	Source: EIA Form 860. EPE's Hueco Mountain Wind Turbine was decommissioned in June 2016
1.6	Other	NA	NA	NA	
Use the data organizer on the left (i.e., the plus/minus symbol) to open/close the alternative generation reporting options					
2	Net Generation for the data year (MWh)				
2.1	Coal	657,744	175,258	NA	Source: FERC Form 1
2.2	Natural Gas	3,790,197	3,550,441	3,835,734	Source: FERC Form 1
2.3	Nuclear	5,136,686	5,093,844	5,109,325	Source: FERC Form 1
2.4	Petroleum	NA	NA	NA	Summation of Items 2.5.1-2.5.5
2.5	Total Renewable Energy Resources	462	463	5,816	
2.5.1	Biomass/Biogas	NA	NA	NA	
2.5.2	Geothermal	NA	NA	NA	
2.5.3	Hydroelectric	NA	NA	NA	
2.5.4	Solar	462	463	5,816	Source: FERC Form 1
2.5.5	Wind	0	0	NA	Source: EIA Form 923
2.6	Other	1,390,946	1,552,251	1,540,841	Purchased Power- FERC Form 1
Use the data organizer on the left (i.e., the plus/minus symbol) to open/close the alternative generation reporting options					
3	Investing in the Future: Capital Expenditures, Energy Efficiency (EE), and Smart Meters				
3.1	Total Annual Capital Expenditures (nominal dollars)	\$ 281,500,000	\$ 225,400,000	\$ 190,300,000	2016 and 2017 capital expenditure totals are net of insurance proceeds
3.2	Incremental Annual Electricity Savings from EE Measures (MWh)	42,570	46,325	42,124	
3.3	Incremental Annual Investment in Electric EE Programs (nominal dollars)	\$ 8,363,000	\$ 8,895,000	\$ 8,053,000	
3.4	Percent of Total Electric Customers with Smart Meters (at end of year)	0	0	0	
4	Retail Electric Customer Count (at end of year)				
4.1	Commercial	45,500	46,317	47,510	
4.2	Industrial	49	49	46	
4.3	Residential	356,969	362,138	368,044	

Emissions

5 GHG Emissions: Carbon Dioxide (CO2) and Carbon Dioxide Equivalent (CO2e)

Note: The alternatives available below are intended to provide flexibility in reporting GHG emissions, and should be used to the extent appropriate for each company.

2015 and 2016 includes 7% of total emissions from Four Corners (Source: Air Markets Programs Data)

5.1 Owned Generation				
Carbon Dioxide (CO2)				
5.1.1.1 Total Owned Generation CO2 Emissions (MT)	2,704,135	2,187,652	2,204,395	
5.1.1.2 Total Owned Generation CO2 Emissions Intensity (MT/Net MWh)	0.282	0.248	0.246	
Carbon Dioxide Equivalent (CO2e)				
5.1.2.1 Total Owned Generation CO2e Emissions (MT)	2,711,388	2,191,083	2,206,635	
5.1.2.2 Total Owned Generation CO2e Emissions Intensity (MT/Net MWh)	0.283	0.248	0.247	
5.2 Purchased Power				
Carbon Dioxide (CO2)				
5.2.1.1 Total Purchased Generation CO2 Emissions (MT)	53,602	62,513	61,557	
5.2.1.2 Total Purchased Generation CO2 Emissions Intensity (MT/Net MWh)	0.039	0.040	0.040	
Carbon Dioxide Equivalent (CO2e)				
5.2.2.1 Total Purchased Generation CO2e Emissions (MT)	53,605	62,515	61,560	
5.2.2.2 Total Purchased Generation CO2e Emissions Intensity (MT/Net MWh)	0.039	0.040	0.040	
5.3 Owned Generation + Purchased Power				
Carbon Dioxide (CO2)				
5.3.1.1 Total Owned + Purchased Generation CO2 Emissions (MT)	2,757,737	2,250,164	2,265,952	
5.3.1.2 Total Owned + Purchased Generation CO2 Emissions Intensity (MT/Net MWh)	0.251	0.217	0.216	
Carbon Dioxide Equivalent (CO2e)				
5.3.2.1 Total Owned + Purchased Generation CO2e Emissions (MT)	2,764,993	2,253,598	2,268,215	
5.3.2.2 Total Owned + Purchased Generation CO2e Emissions Intensity (MT/Net MWh)	0.252	0.217	0.216	
5.4 Non-Generation CO2e Emissions				
5.4.1 Fugitive CO2e emissions of sulfur hexafluoride (MT)	31,425	8,258	3,749	
5.4.2 Fugitive CO2e emissions from natural gas distribution (MT)	NA	NA	NA	
6 Nitrogen Oxide (NOx), Sulfur Dioxide (SO2), Mercury (Hg)				
6.1 Generation basis for calculation		Total		
6.2 Nitrogen Oxide (NOx)				
6.2.1 Total NOx Emissions (MT)	4,457	2,679	2,665	
6.2.2 Total NOx Emissions Intensity (MT/Net MWh)	0.000465	0.000304	0.000298	
6.3 Sulfur Dioxide (SO2)				
6.3.1 Total SO2 Emissions (MT)	579	136	11	
6.3.2 Total SO2 Emissions Intensity (MT/Net MWh)	0.000060	0.000015	0.000001	
6.4 Mercury (Hg)				
6.4.1 Total Hg Emissions (kg)	NA	NA	NA	
6.4.2 Total Hg Emissions Intensity (kg/Net MWh)	NA	NA	NA	

2015 and 2016 includes 7% of total emissions from Four Corners (Source: Air Markets Program Data)

2015 and 2016 includes 7% of total emissions from Four Corners (Source: Air Markets Program Data)

Use the data organizer on the left (i.e., the plus/minus symbol) to open/close the Emissions section notes

Resources

7 Human Resources

7.1 Total Number of Employees	1,069	1,095	1,109	
7.2 Total Number on Board of Directors/Trustees	12	12	12	
7.3 Total Women on Board of Directors/Trustees	3	2	2	
7.4 Total Minorities on Board of Directors/Trustees				
7.5 Employee Safety Metrics				
7.5.1 Recordable Incident Rate	1.71	1.76	2.19	
7.5.2 Lost-time Case Rate	0.57	0.28	0.27	
7.5.3 Days Away, Restricted, and Transfer (DART) Rate	0.95	0.83	0.91	
7.5.4 Work-related Fatalities	0.00	0.00	0.00	

8 Fresh Water Resources

8.1 Water Withdrawals - Consumptive (Liters/Net MWh)	2,427	2,503	2,452	
8.2 Water Withdrawals - Non-consumptive (Billions of Liters/Net MWh)	Not Available	Not Available	Not Available	

The units for this metric are different than the units recommended in the Appendix table. El Paso Electric is evaluating means for accurately tracking and validating this metric. Data will be provided once available.

9 Waste Products

9.1 Percent of Non-hazardous Municipal Solid Waste Diverted	Not Available	Not Available	Not Available	
9.2 Percent of Coal Combustion Products Beneficially Used	NA	NA	NA	

El Paso Electric is evaluating means for accurately tracking and validating this metric. Data will be provided once available.

Social Responsibility



Safety

Safety is a core value at EPE. No job is so urgent that it cannot be done safely. Safe work performance is dependent on each and every employee's commitment to safety and is supported by leadership's strong focus on providing a safe work environment.

Safety Scorecard¹

	2015	2016	2017
OSHA Recordable Rate (EPE)	1.71	1.76	2.19
OSHA Recordable Rate (Industry)	1.90	1.70	N/A ²
OSHA Lost Workday Case Rate (EPE)	0.27	0.28	0.27
OSHA Lost Workday Case Rate (Industry)	0.60	0.50	N/A ²

¹EPE OSHA rates as of 2/1/2018

²2017 OSHA Industry Rates were not available at the time of preparation of this report

EPE has a number of safety programs in place for our employees and is always working to develop new safety practices to better fit the needs of the Company and help ensure compliance with regulatory requirements. In 2017, EPE's preventable vehicle accident rate decreased 20% over 2016, due in part to an enhanced driving program created in-house. The POWER driving program is tailored to EPE's equipment and local environment resulting in a higher level of awareness and performance. In 2017, enhanced switching and lock-out/tag-out processes were developed to improve communication, teamwork and efficiencies between Operations, Safety, and Engineering. Another 2017 safety initiative culminated in revised emergency action plans for each EPE location, based on OSHA and the National Incident Management System standards. All EPE locations exercised emergency evacuation procedures in 2017, followed by debrief meetings to address any action items.

Safety Site Visits

A Safety Site Visit program was developed for senior management to interact with field employees. The visits are performed by two or three senior management employees and a safety representative to observe ongoing field work. The visits give an opportunity for field crews to converse with senior management. At the same time, it is an opportunity for senior management to get a feel for employees' daily work and to reinforce with employees the importance of keeping safety in their minds at all times. In 2017, 32 such visits by senior management were conducted.

Safety Award

In April 2017, EPE employees from various operations departments attended the Southwest Electric Safety Exchange conference and received the Tom Hughston's Stop Shock Safety Award. The award was presented as a special recognition to EPE and other utilities that worked one year or more without a lost time injury due to an electrical accident.

Employees

In 2017, EPE received the 2017 Local Employer of Excellence Award at the Annual Texas Workforce Commission Conference. The award recognized EPE's partnerships within the community, including work with the Workforce Solutions Borderplex Science, Technology, Engineering, Arts, and Math (STEAM) program, and the Young Achievers Forum at University of Texas at El Paso (UTEP) where 1,000 students are exposed to career opportunities in Business Technology and the STEAM fields.

Employee Profile¹

Ethnicity	Male	Female
Hispanic or Latino	494	219
White	123	51
Black or African American	5	6
Native Hawaiian or Pacific Islander	2	0
Asian	2	2
American Indian or Alaskan Native	3	2
Two or More Races	11	8
Total Workforce	928	

¹As reported in El Paso Electric Company's Year 2017 Progress Report on Five-Year Plan to Enhance Supplier and Workforce Diversity. Numbers as of 11/30/2017

EPE's employee recruitment process and selection program emphasizes diversity through various job boards and diverse hiring panels. In 2017, EPE had a workforce comprised of 81 percent minorities. According to the latest United States Census Bureau data from 2010, approximately 82 percent of the civilian labor force in EPE's service territory is a minority. During 2017, EPE continued to partner with local university internship/cooperative programs, such as UTEP and New Mexico State University (NMSU). As part of EPE's workforce planning and succession planning initiative, EPE participated in career fairs and offered a summer internship program for high school and college students.



Summer High School Internship Program

In 2017, EPE continued the High School Summer Intern Program that was launched in 2012. The program provides a holistic work experience for local high school students by developing professional ingenuity, cultivating leadership skills, identifying strengths, leveraging weaknesses and encouraging collaboration with coworkers and interns. The program targets low-income schools within the region with limited resources and opportunities and encompasses high schools from several school districts including: El Paso, Ysleta, San Elizario, Clint, Socorro, Canutillo, Gadsden, and Las Cruces. EPE also partnered with Workforce Solutions' Summer Earn and Learn Program and hosted two participants by integrating them into this program. A total of 16 high school students participated in the 2017 eight-week internship program and were placed in various departments throughout the Company. In addition to their work assignments, high school interns were given university presentations, which highlighted the importance of a college education and provided insight into scholarship opportunities. The program also promoted goodwill in the community and encouraged students to explore STEAM job opportunities with EPE and other local companies.

College Internship and Cooperative Programs

EPE runs a year-round college program with UTEP and NMSU. In addition, starting in 2015, EPE launched a summer college internship program to attract native student talent from other areas of the country. The program was marketed nationally at colleges and universities including the University of Houston, University of Texas at Austin, Texas Tech, Arizona State University, University of Arizona, Texas A&M, New Mexico Tech and University of New Mexico. EPE recognizes that in today's high-performance workplace, students need more than a college degree – they require professional skill sets and work experience in a business environment. This experience is especially critical to minority and female college students. Through college internships, students are able to develop their skill sets and become better able to assimilate into a new profession. In 2017, EPE employed a total of seven students in the summer college internship program.

Cultivating the next generation of talent through internship programs creates a pipeline at EPE and enhances the quality of the region's workforce.

Doña Ana Community College Electrical Lineworker Certification Program

In partnership with Doña Ana Community College (DACC), EPE hosts a paid cooperative learning opportunity to fulfill the internship requirement for the Electrical Lineworker Certification Program. DACC's Electrical Lineworker Program is a one-year apprenticeship certificate program designed to educate students on the technical and manual skills necessary for careers in the installation and maintenance of electrical power lines.

For the duration of the internship with EPE, students develop the technical skillset required to safely and successfully complete the one-year lineworker apprenticeship. Participants in this program are immersed in the frontlines of the industry by gaining safe, hands-on experience with seasoned experts while gaining exposure to the physical and environmental challenges associated with this career. Interns are exposed to working in a variety of extreme weather conditions, while engaging in heavy lifting, climbing poles over 110 feet, trenching and working in overhead buckets that can reach up to 90 feet. This entry-level experience serves as a catalyst progressing onto an approximate five year path towards becoming a first-class line worker in the power industry.

Since 2015, EPE has sponsored 24 student internships in the DACC Lineworker Certification Program. A total of 22 students have successfully completed the program and been hired as full-time Helper Apprentices with EPE.

Apprentice Program

As outlined by the Department of Labor, the Apprentice Program at EPE requires a total of 2,000 on-the-job hours along with task-specific training consisting of 144 training hours: 40 hours of classroom and 104 hours of field training. In a three-year timeframe, the apprentices must complete 45 technical instruction modules with competency verification. In 2017, six third-year apprentices successfully completed the program, achieving their journeyman's licenses.

Lineman's Rodeos

In February 2017, the first ever EPE Lineman's Rodeo & BBQ Cook-Off took place at the Doña Ana Community College Chaparral Campus. The rodeo featured 23 EPE journeymen and apprentices competing in a variety of events that demonstrate skills they use on the job. The event showcased their ability to safely perform defined tasks with efficiency, during competitive, timed events. Winners advanced to the state-wide Lineman's Rodeo in Seguin, Texas, on July 15, 2017, where the skill tests included challenges lineworkers typically encounter.

Powerful Women Resources Program (PWR)

EPE recently launched the Powerful Women Resources (PWR) program to encourage growth and provide development opportunities for EPE's female employees. Historically, the electric utility industry has been a male-dominated industry, and EPE's current gender demographics are that of a traditional utility. The PWR program is a structured affinity group intended to support, develop and encourage women to achieve professional and personal excellence. The success of the PWR program will be measured by the increase of women seeking management roles, especially at the higher organizational levels. Success will also be measured by the increase in women applying for promotions and the selection of women for leadership roles, assignment of women to leadership roles on large-scale projects, or EPE female employees participating on local boards or in other leadership roles throughout our community. In 2017, PWR activities were highlighted by presentations and networking opportunities with Company, industry and community leaders including Cathy Allen, EPE Director. Approximately 90 women participated in the PWR program in 2017.



Supplier Diversity

EPE pursues opportunities to buy from small and diverse suppliers; this was reflected in 2017 by Supply Chain Management's (SCM) continued involvement in outreach activities to identify prospective small and diverse suppliers. SCM participated in conferences and networking events targeting historically underutilized businesses (HUBs) owned by veterans, service disabled veterans, women, and minorities. In 2017, EPE's Supplier Diversity and Investment Recovery Department accepted two Southwest Minority Supplier Development Council (SMSDC) awards: "Advocate of the Year" and "Corporation of the Year."

2017	In Texas	Outside of Texas
Total non-fuel purchases	\$126.5 million	\$142.2 million
Non-fuel purchases from HUBs	\$24 million	\$16.1 million
Percentage of non-fuel purchases from HUBs	19%	11%

Customers

At EPE, customer service is a responsibility that is taken very seriously. We are committed to continuously monitoring and improving customer satisfaction. Our customer base grows year after year, and EPE believes that by focusing on customer concerns such as increased reliability, added service and innovative programs, even higher levels of customer satisfaction will be achieved. In 2017, 83% of the calls received by the EPE Call Center were answered within 60 seconds. Our customer satisfaction scores over the last three years have been above the reported national average for both commercial and residential customers.

Customer Satisfaction Scores

Year	Residential Overall Satisfaction		Commercial Overall Satisfaction	
	EPE Average Score	MSI National Average Score ¹	EPE Average Score	MSI National Average Score ²
2017	80	79	83	80
2016	80	77	86	80
2015	83	77	85	78

¹Benchmarking comparisons are based on surveys conducted with Residential customers of more than 80 electric and electric-gas utilities included in Market Strategies' (MSI's) National Energy Utility Benchmarking Database

²Benchmarking comparisons are based on surveys conducted with Small/Medium Commercial customers of more than 90 electric and electric-gas utilities included in Market Strategies' (MSI's) National Energy Utility Benchmarking Database

Energy Efficiency

EPE has several programs promoting energy savings for our customers. The programs differ by state (Texas vs. New Mexico) and are dependent on the goals established by each state's respective regulations.

For 2017, New Mexico had two commercial and five residential programs while Texas had five commercial programs and four residential programs. These programs promote energy savings while simultaneously alleviating expenses for our customers. EPE held several events in 2017 to promote the many energy efficiency programs offerings, including informational tables at the Texas Small Commercial Solutions and Texas Residential Solutions Kickoff Meetings. In New Mexico, EPE offered commercial customers lunch-and-learn workshops, ENERGY STAR® trainings, promotional events, and lighting giveaways at eight Community Centers where 2,000 4-packs of LEDs were distributed.

Our energy efficiency accomplishments were recognized by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy, which honored EPE as a 2017 ENERGY STAR® Partner of the Year in energy efficiency program delivery. The award recognizes outstanding contributions to public health and the environment.

LivingWise® Program

EPE's LivingWise® Program is a school-based energy efficiency education program designed to generate immediate and long-term resource savings by bringing interactive, real-world education to students and their families. The program begins with classroom discussions using a Student Guide that provides the foundations of using energy and water efficiently. It is followed by hands-on, creative, problem-solving activities led by the classroom teacher. All program materials support state and national academic standards and complement teachers' existing curriculum and requirements. Students receive a take-home LivingWise® Kit with high efficiency measures to install at home with the help of their parents/guardians. Students then complete a home survey and both parents and students track actual water and energy savings within their homes. At the end of the program, EPE tabulates all participants' responses including the home survey information, teacher responses, student letters and parent feedback. The Texas program was run in the spring of 2017 and targeted 8,939 6th grade-level teachers, students and their families. The fall 2017 program took place in New Mexico and delivered education to 3,005 5th grade-level teachers, students and their families.

Demand Response Pilot Program

In 2017, EPE implemented a three-year pilot project for demand response. EPE's Demand Response (DR) Program (eSmart Thermostat Program) is a voluntary program designed to test customers' acceptance and effectiveness of demand response using "smart thermostat" technology. Through the program, EPE is remotely communicating with smart thermostats to control participating customer's central refrigerated air conditioning unit in an attempt to reduce electrical load during peak hours or other operating conditions.

EPE opened the program for residential and small commercial customer enrollment in both New Mexico and Texas in the spring of 2017. The pilot program was limited to 3,000 devices, and was fully enrolled by the fall of 2017. The majority of participants were located in Texas (81% of accepted customers), and the remainder from New Mexico.

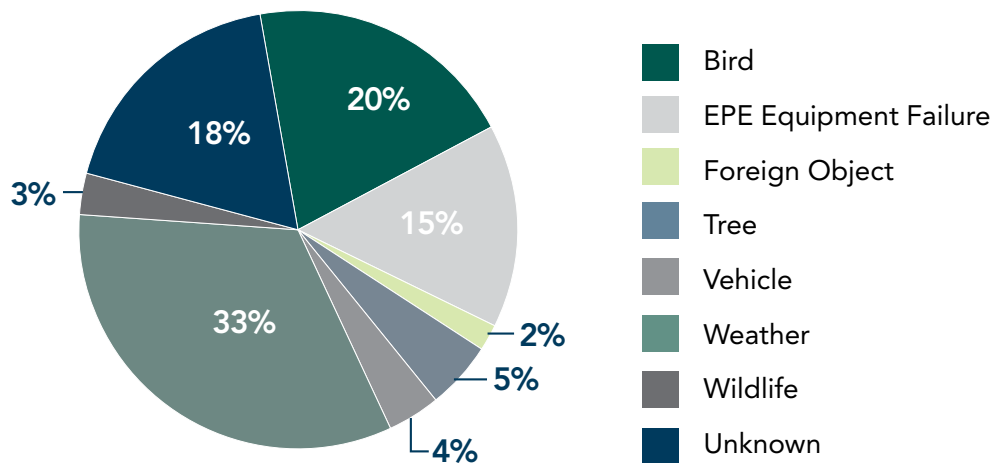
During the 2017 season (June 1 through September 30), EPE executed 12 DR events. EPE tested several load control strategies to determine the program effectiveness under various conditions. Some of the strategies included temperature offsets of 2 to 4 degrees, different event durations, and pre-cooling. At the conclusion of the pilot project, EPE will make decisions regarding demand response program expansion.

Power Outages

Whenever an outage occurs, EPE works continuously to safely restore service. Our transmission and distribution employees, who are responsible for the daily operation of the electrical system, respond to any outage by evaluating it as quickly as possible, isolating the issue, and then making the necessary repairs to restore customers' electricity.

The System Average Interruption Duration Index (SAIDI) and the System Average Interruption Frequency Index (SAIFI) are reliability indices. The SAIDI measurement rates the duration of outages while the SAIFI measurement measures the frequency of outages. For both Texas and New Mexico, our 2017 annual SAIDI was 48.85 and our SAIFI was 0.57. There were 2,762 forced outages in 2017, with weather as the most frequent cause.

2017 Forced Outages



Community

Power Restoration Efforts in North Texas and Florida

In 2017, EPE assisted in two important power restoration efforts with other utilities in the country. At the beginning of the year, a severe thunderstorm left North Texas with over 200,000 outages. EPE sent 12 linemen to assist the local utility, Oncor Electric Delivery Company, in restoring power to residents. Later in the year, 19 EPE employees traveled to Titusville, Florida to assist in restoration efforts after Hurricane Irma. They partnered with the local utility, Florida Power & Light, in making repairs and restoring electricity to some of the hundreds of thousands of Floridians affected by the severe weather event.

Local Community Outreach

EPE takes pride in being an active corporate citizen in the communities we serve. Contributing to our communities is an expressed part of our corporate mission and helps to define our corporate purpose and mold the actions of our employees.

The success of EPE's corporate citizenship programs is entirely due to the caring and generosity of our workforce. Hundreds of employees contribute thousands of hours to many worthwhile charitable and civic organizations. In 2017, our employees collectively volunteered over 8,800 hours of their time.

In addition to our employees' community service hours, EPE actively supports a diverse mix of civic and charitable programs through our Community Partner Program. We believe our commitment to the communities we serve is an important part of our corporate responsibility to contribute to programs, organizations, and activities that positively impact the well-being of our region. In 2017, EPE contributed more than 1.2 million dollars to our community partners, with a primary emphasis on those organizations and programs focused on these priority areas:

- Economic Development: Increase economic opportunities that impact the long-term economic vitality of our region;
- Education / STEAM: Impact the quality and accessibility of education with a focus on furthering STEAM;
- Neighborhood and Civic Associations: Build positive collaborative partnerships between neighborhoods, community organizations and EPE through neighborhood events and volunteerism to strengthen the engagement with our communities;



- **Environment and Wildlife:** Promote environmental education opportunities, leverage our vast network of volunteers to deliver long-term, measurable results and build partnerships with local environmental nonprofit projects that strengthen the resiliency of our community. This includes efforts focused on sustainable agriculture, wildlife rehabilitation and preservation.

EPE and the Military

Supporting veterans and the military has always been at the forefront of EPE’s community outreach efforts. In 2016, we partnered with the U.S. Chamber of Commerce’s *Hiring Our Heroes* program. The *Hiring Our Heroes* program is a nationwide initiative to help veterans, transitioning service members and military spouses find meaningful career opportunities. The program was launched in El Paso early in 2016 and EPE became part of the first class of employers. In 2016, seven Fellows worked alongside EPE employees in various departments for 11 weeks to gain corporate experience. In 2017, EPE partnered with two Military Fellows, one of whom was hired as a full-time employee at the end of the program term.

Also in 2017, EPE partnered with the Army’s transition program, *Soldier for Life – Transition Assistance Program* at Fort Bliss, with biweekly attendance to the Friday sessions they provide for transitioning military personnel. This program connects transitioning soldiers with resources such as counseling, employment and education workshops and seminars required to achieve the law and policy Career Readiness Standards. This allows the soldiers opportunities for the personal and career transition from active duty. EPE showcases any open opportunities and builds connections with them, especially if they are looking to settle in the El Paso area. In addition, EPE has an ongoing partnership with the United Services Organization at Fort Bliss. We work with military transition services to provide quarterly resume reviews and mock interviews. EPE also participates in the job fairs that are hosted at Fort Bliss throughout the year.

Renewables and Community Outreach

In 2017, EPE’s Renewable & Emergent Technologies Department conducted several presentations to students, teachers, and organizations in the community to teach them about renewable energy and provide insight into the many emergent technologies and solar projects supported by the Company. Some of the presentations and events include Earth Day at the El Paso Zoo, Project Management Institute Chapter Meeting, Supply Chain Management Institute Meeting, El Paso Chamber of Commerce’s Leadership El Paso meeting, El Paso retirees meeting, career days, science fairs, and STEAM fairs. In addition, after placing the Texas Community Solar program into service, EPE provided facility tours to program subscribers, community members and industry professionals.



2018 and Beyond

In the past year, EPE implemented a number of exciting ESG/sustainability-related initiatives, notably the establishment of a focused organization structure. As we move into 2018, we are striving for even greater achievements. We are anticipating a number of additional projects that will allow us to further integrate and formalize existing sustainability efforts, and to improve operational and financial performance, customer focus, and stakeholder satisfaction. We look forward to furthering our commitment to doing the best we can for our customers, our community, the environment, and our shareholders.

About This Report

Report Profile

- The information in this report reflects the 2017 calendar year.
- For most metrics in this report, EPE provides three years of data for comparison purposes.
- EPE plans to continue reporting ESG/sustainability metrics annually.

Data Quality

- EPE is committed to reporting ESG /sustainability information that is transparent and consistent with regulatory filings and other publicly-available information.
- EPE continues to enhance its ESG reporting processes in the spirit of continuous improvement.
- EPE utilizes sound internal data verification and validation review processes. The data in this report has not been reviewed by an external assurance provider, and there are no plans at this time to seek such assurance.
- Information contained in this report is believed to be accurate at the time the report was published.
- Any updates to data presented in this report may be reflected in future reports.
- We recognize any limitations to disclosed data in this report where applicable.

Scope of Report

- The scope of information in this report reflects assets owned and operated by El Paso Electric Company, except where required by EEI template content, where assets partially owned (but not operated) are included, or where otherwise indicated.

Report Availability and Contact

- This report is available through our website: epelectric.com/sustainability.
- Requests for further information or feedback can be sent to the following e-mail: sustainability@epelectric.com.



Definitions for the EEI ESG/Sustainability Template for Regulated Electric Companies

Ref. No.	Metric Name	Definition	Units Reported in	Time Period (if applicable)	Reference to Source (if applicable)
Utility Portfolio					
1	Owned Nameplate Generation Capacity at end of year (MW)	Summation of the nameplate capacity of installed owned generation in the company portfolio, as reported to the U.S. Energy Information Administration (EIA) on Form 860 Generator Information . Note that data should be provided in terms of equity ownership for shared facilities. Nameplate capacity is defined as the maximum rated output of a generator, prime mover, or other electric power production equipment under specific conditions designated by the manufacturer. Installed generator nameplate capacity is commonly expressed in megawatts (MW) and is usually indicated on a nameplate physically attached to the generator.	Megawatt (MW): One million watts of electricity.	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ . Form 860 instructions available at: www.eia.gov/survey/form/eia_860/instructions.pdf .
1.1	Coal	Nameplate capacity of generation resources that produce electricity through the combustion of coal (a readily combustible black or brownish-black rock whose composition, including inherent moisture, consists of more than 50 percent by weight and more than 70 percent by volume of carbonaceous material. It is formed from plant remains that have been compacted, hardened, chemically altered, and metamorphosed by heat and pressure over geologic time).	MW	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
1.2	Natural Gas	Nameplate capacity of generation resources that produce electricity through the combustion of natural gas (a gaseous mixture of hydrocarbon compounds, the primary one being methane).	MW	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
1.3	Nuclear	Nameplate capacity of generation resources that produce electricity through the use of thermal energy released from the fission of nuclear fuel in a reactor.	MW	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
1.4	Petroleum	Nameplate capacity of generation resources that produce electricity through the combustion of petroleum (a broadly defined class of liquid hydrocarbon mixtures. Included are crude oil, lease condensate, unfinished oils, refined products obtained from the processing of crude oil, and natural gas plant liquids).	MW	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
1.5	Total Renewable Energy Resources	Energy resources that are naturally replenishing but flow-limited. They are virtually inexhaustible in duration but limited in the amount of energy that is available per unit of time. Renewable energy resources include biomass, hydro, geothermal, solar, wind, ocean thermal, wave action, and tidal action.	MW	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
1.5.1	Biomass/Biogas	Nameplate capacity of generation resources that produce electricity through the combustion of biomass (an organic nonfossil material of biological origin constituting a renewable energy source).	MW	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
1.5.2	Geothermal	Nameplate capacity of generation resources that produce electricity through the use of thermal energy released from hot water or steam extracted from geothermal reservoirs in the earth's crust.	MW	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
1.5.3	Hydroelectric	Nameplate capacity of generation resources that produce electricity through the use of flowing water.	MW	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
1.5.4	Solar	Nameplate capacity of generation resources that produce electricity through the use of the radiant energy of the sun, which can be converted into other forms of energy, such as heat or electricity.	MW	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
1.5.5	Wind	Nameplate capacity of generation resources that produce electricity through the use of kinetic energy present in wind motion that can be converted to mechanical energy for driving pumps, mills, and electric power generators.	MW	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
1.6	Other	Nameplate capacity of generation resources that are not defined above.	MW	End of Year	
2	Net Generation for the data year (MWh)	Summation of the amount of gross generation less the electrical energy consumed at the generating station(s) for station service or auxiliaries. Data can be provided in terms of total, owned, and/or purchased, depending on how the company prefers to disseminate data in this template. Provide owned generation data as reported to EIA on Form 923 Schedule 3 and align purchased power data with the Federal Energy Regulatory Commission (FERC) Form 1 Purchased Power Schedule , Reference Pages numbers 326-327. Note: Electricity required for pumping at pumped-storage plants is regarded as electricity for station service and is deducted from gross generation.	Megawatthour (MWh): One thousand kilowatt-hours or one million watt-hours.	Annual	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ . Form 923 instructions available at: www.eia.gov/survey/form/eia_923/instructions.pdf .
2.1	Coal	Net electricity generated by the combustion of coal (a readily combustible black or brownish-black rock whose composition, including inherent moisture, consists of more than 50 percent by weight and more than 70 percent by volume of carbonaceous material. It is formed from plant remains that have been compacted, hardened, chemically altered, and metamorphosed by heat and pressure over geologic time).	MWh	Annual	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
2.2	Natural Gas	Net electricity generated by the combustion of natural gas (a gaseous mixture of hydrocarbon compounds, the primary one being methane).	MWh	Annual	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
2.3	Nuclear	Net electricity generated by the use of the thermal energy released from the fission of nuclear fuel in a reactor.	MWh	Annual	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
2.4	Petroleum	Net electricity generated by the combustion of petroleum (a broadly defined class of liquid hydrocarbon mixtures. Included are crude oil, lease condensate, unfinished oils, refined products obtained from the processing of crude oil, and natural gas plant liquids).	MWh	Annual	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
2.5	Total Renewable Energy Resources	Energy resources that are naturally replenishing but flow-limited. They are virtually inexhaustible in duration but limited in the amount of energy that is available per unit of time. Renewable energy resources include biomass, hydro, geothermal, solar, wind, ocean thermal, wave action, and tidal action.	MWh	Annual	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
2.5.1	Biomass/Biogas	Net electricity generated by the combustion of biomass (an organic nonfossil material of biological origin constituting a renewable energy source).	MWh	Annual	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
2.5.2	Geothermal	Net electricity generated by the use of thermal energy released from hot water or steam extracted from geothermal reservoirs in the earth's crust.	MWh	Annual	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
2.5.3	Hydroelectric	Net electricity generated by the use of flowing water.	MWh	Annual	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
2.5.4	Solar	Net electricity generated by the use of the radiant energy of the sun, which can be converted into other forms of energy, such as heat or electricity.	MWh	Annual	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
2.5.5	Wind	Net electricity generated by the use of kinetic energy present in wind motion that can be converted to mechanical energy for driving pumps, mills, and electric power generators.	MWh	Annual	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
2.6	Other	Net electricity generated by other resources that are not defined above. If applicable, this metric should also include market purchases where the generation resource is unknown.	MWh	Annual	

Definitions for the EEI ESG/Sustainability Template for Regulated Electric Companies

Ref. No.	Metric Name	Definition	Units Reported in	Time Period (if applicable)	Reference to Source (if applicable)
3 Investing in the Future: Capital Expenditures, Energy Efficiency (EE), and Smart Meters					
3.1	Total Annual Capital Expenditures	Align annual capital expenditures with data reported in recent investor presentations. A capital expenditure is the use of funds or assumption of a liability in order to obtain physical assets that are to be used for productive purposes for at least one year. This type of expenditure is made in order to expand the productive or competitive posture of a business.	Nominal Dollars	Annual	Accounting Tools, Q&A, http://www.accountingtools.com/questions-and-answers/what-is-a-capital-expenditure.html
3.2	Incremental Annual Electricity Savings from EE Measures (MWh)	Incremental Annual Electricity Savings for the reporting year as reported to EIA on Form 861 . Incremental Annual Savings for the reporting year are those changes in energy use caused in the current reporting year by: (1) new participants in DSM programs that operated in the previous reporting year, and (2) participants in new DSM programs that operated for the first time in the current reporting year. A "New program" is a program for which the reporting year is the first year the program achieved savings, regardless of when program development and expenditures began.	MWh	End of Year	U.S. Energy Information Administration, <i>Form EIA-861 Annual Electric Power Industry Report Instructions</i> . Available at: www.eia.gov/survey/form/eia_861/instructions.pdf .
3.3	Incremental Annual Investment in Electric EE Programs (nominal dollars)	Total annual investment in electric energy efficiency programs as reported to EIA on Form 861 .	Nominal Dollars	End of Year	U.S. Energy Information Administration, <i>Form EIA-861 Annual Electric Power Industry Report Instructions</i> . Available at: www.eia.gov/survey/form/eia_861/instructions.pdf .
3.4	Percent of Total Electric Customers with Smart Meters (at end of year)	Number of electric smart meters installed at end-use customer locations, divided by number of total electric meters installed at end-use customer locations. Smart meters are defined as electricity meters that measure and record usage data at a minimum, in hourly intervals, and provide usage data to both consumers and energy companies at least once daily. Align reporting with EIA Form 861 meter data, which lists all types of meter technology used in the system as well as total meters in the system.	Percent	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
4 Retail Electric Customer Count (at end of year)					
		Electric customer counts should be aligned with the data provided to EIA on Form 861 - Sales to Utility Customers .			U.S. Energy Information Administration, <i>Form EIA-861 Annual Electric Power Industry Report Instructions</i> . Available at: www.eia.gov/survey/form/eia_861/instructions.pdf .
4.1	Commercial	An energy-consuming sector that consists of service-providing facilities and equipment of businesses; Federal, State, and local governments; and other private and public organizations, such as religious, social, or fraternal groups. The commercial sector includes institutional living quarters. It also includes sewage treatment facilities. Common uses of energy associated with this sector include space heating, water heating, air conditioning, lighting, refrigeration, cooking, and running a wide variety of other equipment. Note: This sector includes generators that produce electricity and/or useful thermal output primarily to support the activities of the above-mentioned commercial establishments.	Number of end-use retail customers receiving electricity (individual homes and businesses count as one).	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
4.2	Industrial	An energy-consuming sector that consists of all facilities and equipment used for producing, processing, or assembling goods. The industrial sector encompasses the following types of activity manufacturing (NAICS codes 31-33); agriculture, forestry, fishing and hunting (NAICS code 11); mining, including oil and gas extraction (NAICS code 21); and construction (NAICS code 23). Overall energy use in this sector is largely for process heat and cooling and powering machinery, with lesser amounts used for facility heating, air conditioning, and lighting. Fossil fuels are also used as raw material inputs to manufactured products. Note: This sector includes generators that produce electricity and/or useful thermal output primarily to support the above-mentioned industrial activities. Various EIA programs differ in sectoral coverage.	Number of end-use retail customers receiving electricity (individual homes and businesses count as one).	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
4.3	Residential	An energy-consuming sector that consists of living quarters for private households. Common uses of energy associated with this sector include space heating, water heating, air conditioning, lighting, refrigeration, cooking, and running a variety of other appliances. The residential sector excludes institutional living quarters. Note: Various EIA programs differ in sectoral coverage.	Number of end-use retail customers receiving electricity (individual homes and businesses count as one).	End of Year	U.S. Energy Information Administration, <i>Online Glossary</i> , https://www.eia.gov/tools/glossary/ .
Emissions					
5 GHG Emissions: Carbon Dioxide (CO2) and Carbon Dioxide Equivalent (CO2e)					
5.1 Owned Generation					
5.1.1 Carbon Dioxide (CO2)					
5.1.1.1	Total Owned Generation CO2 Emissions	Total direct CO2 emissions from company equity-owned fossil fuel combustion generation as reported to EPA under the GHG Reporting Program (40 CFR, part 98, Subpart C – General Stationary Fuel Combustion and Subpart D – Electricity Production), using a continuous emission monitoring system (CEMS) or other approved methodology.	Metric Tons	Annual	U.S. Environmental Protection Agency, <i>Greenhouse Gas Reporting Program</i> (40 CFR, part 98, Subparts C and D).
5.1.1.2	Total Owned Generation CO2 Emissions Intensity	Total direct CO2 emissions from 5.1.1.1, divided by total MWh of owned net generation reported in the Utility Portfolio section.	Metric Tons/Net MWh	Annual	
5.1.2 Carbon Dioxide Equivalent (CO2e)					
5.1.2.1	Total Owned Generation CO2e Emissions	Total direct CO2e emissions (CO2, CH4, and N2O) from company equity-owned fossil fuel combustion generation as reported to EPA under the GHG Reporting Program (40 CFR, part 98, Subpart C – General Stationary Fuel Combustion and Subpart D – Electricity Production), using a continuous emission monitoring system (CEMS) or other approved methodology.	Metric Tons	Annual	U.S. Environmental Protection Agency, <i>Greenhouse Gas Reporting Program</i> (40 CFR, part 98, Subparts C and D).
5.1.2.2	Total Owned Generation CO2e Emissions Intensity	Total direct CO2e emissions from 5.1.2.1, divided by total MWh of owned net generation reported in the Utility Portfolio section.	Metric Tons/Net MWh	Annual	
5.2 Purchased Power					
5.2.1 Carbon Dioxide (CO2)					
5.2.1.1	Total Purchased Generation CO2 Emissions	Purchased power CO2 emissions should be calculated using the most relevant and accurate of the following methods: (1) For direct purchases, such as PPAs, use the direct emissions data as reported to EPA. (2) For market purchases where emissions attributes are unknown, use applicable regional or national emissions rate: - ISO/RTO-level emission factors - Climate Registry emission factors - E-Grid emission factors	Metric Tons	Annual	
5.2.1.2	Total Purchased Generation CO2 Emissions Intensity	Total purchased power CO2 emissions from 5.2.1.1, divided by total MWh of purchased net generation reported in the Utility Portfolio section.	Metric Tons/Net MWh	Annual	
5.2.2 Carbon Dioxide Equivalent (CO2e)					
5.2.2.1	Total Purchased Generation CO2e Emissions	Purchased power CO2e emissions should be calculated using the most relevant and accurate of the following methods: (1) For direct purchases, such as PPAs, use the direct emissions data as reported to EPA. (2) For market purchases where emissions attributes are unknown, use applicable regional or national emissions rate: - ISO/RTO-level emission factors - Climate Registry emission factors - E-Grid emission factors	Metric Tons	Annual	
5.2.2.2	Total Purchased Generation CO2e Emissions Intensity	Total purchased power CO2e emissions from 5.2.2.1, divided by total MWh of purchased net generation reported in the Utility Portfolio section.	Metric Tons/Net MWh	Annual	

Definitions for the EEI ESG/Sustainability Template for Regulated Electric Companies

Ref. No.	Metric Name	Definition	Units Reported in	Time Period (if applicable)	Reference to Source (if applicable)
5.3 Owned Generation + Purchased Power					
5.3.1	Carbon Dioxide (CO ₂)				
5.3.1.1	Total Owned + Purchased Generation CO ₂ Emissions	Sum of total CO ₂ emissions reported under 5.1.1.1 and 5.2.1.1.	Metric Tons	Annual	
5.3.1.2	Total Owned + Purchased Generation CO ₂ Emissions Intensity	Total emissions from 5.3.1.1, divided by total MWh of owned and purchased net generation reported in the Utility Portfolio section.	Metric Tons/Net MWh	Annual	
5.3.2	Carbon Dioxide Equivalent (CO ₂ e)				
5.3.2.1	Total Owned + Purchased Generation CO ₂ e Emissions	Sum of total CO ₂ e emissions reported under 5.1.2.1 and 5.2.2.1.	Metric Tons	Annual	
5.3.2.2	Total Owned + Purchased Generation CO ₂ e Emissions Intensity	Total emissions from 5.3.2.1, divided by total MWh of owned and purchased net generation reported in the Utility Portfolio section.	Metric Tons/Net MWh	Annual	
5.4 Non-Generation CO₂e Emissions					
5.4.1	Fugitive CO ₂ e emissions of sulfur hexafluoride	Total fugitive CO ₂ e emissions of sulfur hexafluoride as reported to EPA under the mandatory GHG Reporting Protocols (40 CFR Part 98, Subpart DD).	Metric Tons	Annual	U.S. Environmental Protection Agency, <i>Greenhouse Gas Reporting Program</i> (40 CFR, part 98, Subpart DD).
5.4.2	Fugitive CO ₂ e emissions from natural gas distribution	Total fugitive CO ₂ e emissions from natural gas distribution as reported to EPA under the mandatory GHG Reporting Protocols (40 CFR Part 98, Subpart W)	Metric Tons	Annual	U.S. Environmental Protection Agency, <i>Greenhouse Gas Reporting Program</i> (40 CFR, part 98, Subpart W).
6 Nitrogen Oxide (NO_x), Sulfur Dioxide (SO₂), Mercury (Hg)					
6.1	Generation basis for calculation	Indicate the generation basis for calculating SO ₂ , NO _x , and Hg emissions and intensity. Fossil: Fossil Fuel Generation Only Total: Total System Generation Other: Other (please specify in comment section)			
6.2 Nitrogen Oxide (NO_x)					
6.2.1	Total NO _x Emissions	Total NO _x emissions from company equity-owned fossil fuel combustion generation. As reported to EPA under the Acid Rain Reporting Program (40 CFR, part 75) or regulatory equivalent.	Metric Tons	Annual	U.S. Environmental Protection Agency, <i>Acid Rain Reporting Program</i> (40 CFR, part 75).
6.2.2	Total NO _x Emissions Intensity	Total from above, divided by the MWh of generation basis as indicated in 6.1.	Metric Tons/Net MWh	Annual	
6.3 Sulfur Dioxide (SO₂)					
6.3.1	Total SO ₂ Emissions	Total SO ₂ emissions from company equity-owned fossil fuel combustion generation. As reported to EPA under the Acid Rain Reporting Program (40 CFR, part 75) or regulatory equivalent.	Metric Tons	Annual	U.S. Environmental Protection Agency, <i>Acid Rain Reporting Program</i> (40 CFR, part 75).
6.3.2	Total SO ₂ Emissions Intensity	Total from above, divided by the MWh of generation basis as indicated in 6.1.	Metric Tons/Net MWh	Annual	
6.4 Mercury (Hg)					
6.4.1	Total Hg Emissions	Total Mercury emissions from company equity-owned fossil fuel combustion generation. Preferred methods of measurement are performance-based, direct measurement as outlined in the EPA Mercury and Air Toxics Standard (MATS). In the absence of performance-based measures, report value aligned with Toxics Release Inventory (TRI) or regulatory equivalent for international operations.	Kilograms	Annual	EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.
6.4.2	Total Hg Emissions Intensity	Total from above, divided by the MWh of generation basis as indicated in 6.1.	Kilograms/Net MWh	Annual	
Resources					
7 Human Resources					
7.1	Total Number of Employees	Average number of employees over the year. To calculate the annual average number of employees: (1) Calculate the total number of employees your establishment paid for all periods. Add the number of employees your establishment paid in every pay period during the data year. Count all employees that you paid at any time during the year and include full-time, part-time, temporary, seasonal, salaried, and hourly workers. Note that pay periods could be monthly, weekly, bi-weekly, and so on. (2) Divide the total number of employees (from step 1) by the number of pay periods your establishment had in during the data year. Be sure to count any pay periods when you had no (zero) employees. (3) Round the answer you computed in step 2 to the next highest whole number.	Number of Employees	Annual	U.S. Department of Labor, Bureau of Labor Statistics, Steps to estimate annual average number of employees, www.bls.gov/respondents/iif/annualavghours.htm . EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.
7.2	Total Number of Board of Directors/Trustees	Average number of employees on the Board of Directors/Trustees over the year.	Number of Employees	Annual	
7.3	Total Women on Board of Directors/Trustees	Total number of women (defined as employees who identify as female) on Board of Directors/Trustees.	Number of Employees	Annual	U.S. Equal Employment Opportunity Commission, EEO Terminology, www.archives.gov/eoo/terminology.html . EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.
7.4	Total Minorities on Board of Directors/Trustees	Total number of minorities on Board of Directors/Trustees. Minority employees are defined as "the smaller part of a group. A group within a country or state that differs in race, religion or national origin from the dominant group. Minority is used to mean four particular groups who share a race, color or national origin." These groups are: "(1) American Indian or Alaskan Native. A person having origins in any of the original peoples of North America, and who maintain their culture through a tribe or community; (2) Asian or Pacific Islander. A person having origins in any of the original people of the Far East, Southeast Asia, India, or the Pacific Islands. These areas include, for example, China, India, Korea, the Philippine Islands, and Samoa; (3) Black (except Hispanic). A person having origins in any of the black racial groups of Africa; (4) Hispanic. A person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race."	Number of Employees	Annual	U.S. Equal Employment Opportunity Commission, EEO Terminology, www.archives.gov/eoo/terminology.html . EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.
7.5 Employee Safety Metrics					
7.5.1	Recordable Incident Rate	Number of injuries or illnesses x 200,000 / Number of employee labor hours worked. Injury or illness is recordable if it results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness. You must also consider a case to meet the general recording criteria if it involves a significant injury or illness diagnosed by a physician or other licensed health care professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness. Record the injuries and illnesses of all employees on your payroll, whether they are labor, executive, hourly, salary, part-time, seasonal, or migrant workers. You also must record the recordable injuries and illnesses that occur to employees who are not on your payroll if you supervise these employees on a day-to-day basis. If your business is organized as a sole proprietorship or partnership, the owner or partners are not considered employees for recordkeeping purposes. For temporary employees, you must record these injuries and illnesses if you supervise these employees on a day-to-day basis. If the contractor's employee is under the day-to-day supervision of the contractor, the contractor is responsible for recording the injury or illness. If you supervise the contractor employee's work on a day-to-day basis, you must record the injury or illness.	Percent	Annual	U.S. Department of Labor, Occupational Health and Safety Administration, OSHA Recordable Incidents. EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.
7.5.2	Lost-time Case Rate	Calculated as: Number of lost-time cases x 200,000 / Number of employee labor hours worked. Only report for employees of the company as defined for the "recordable incident rate for employees" metric. A lost-time incident is one that resulted in an employee's inability to work the next full work day.	Percent	Annual	U.S. Department of Labor, Occupational Health and Safety Administration, OSHA Recordable Incidents. EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.

Definitions for the EEI ESG/Sustainability Template for Regulated Electric Companies

Ref. No.	Metric Name	Definition	Units Reported in	Time Period (if applicable)	Reference to Source (if applicable)
7.5.3	Days Away, Restricted, and Transfer (DART) Rate	Calculated as: Total number of DART incidents x 200,000 / Number of employee labor hours worked. A DART incident is one in which there were one or more lost days or one or more restricted days, or one that resulted in an employee transferring to a different job within the company.	Percent	Annual	U.S. Department of Labor, Occupational Health and Safety Administration, OSHA Recordable Incidents. EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.
7.5.4	Work-related Fatalities	Total employee fatalities. Record for all employees on your payroll, whether they are labor, executive, hourly, salary, part-time, seasonal, or migrant workers. Include fatalities to those that occur to employees who are not on your payroll if you supervise these employees on a day-to-day basis. For temporary employees, report fatalities if you supervise these employees on a day-to-day basis.	Number of Employees	Annual	U.S. Department of Labor, Occupational Health and Safety Administration, OSHA Recordable Incidents. EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.
8 Fresh Water Resources					
8.1	Water Withdrawals - Consumptive (Billions of Liters/Net MWh)	Rate of fresh water consumed for generation. Include water sourced from fresh surface water, groundwater, and municipal water. Water consumption is defined as water that is not returned to the original water source after being withdrawn, including evaporation to the atmosphere. Divide billions of liters by equity-owned total net generation from all electric generation as reported under Metric 2, Net Generation for the data year (MWh).	Billions of Liters/Net MWh	Annual	Partially sourced from EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.
8.2	Water Withdrawals - Non-consumptive (Billions of Liters/Net MWh)	Rate of fresh water withdrawn, but not consumed, for generation. Include water sourced from fresh surface water, groundwater, and municipal water. Information on organizational water withdrawal may be drawn from water meters, water bills, calculations derived from other available water data or (if neither water meters nor bills or reference data exist) the organization's own estimates. Divide billions of liters by equity-owned total net generation from all electric generation as reported under Metric 2, Net Generation for the data year (MWh).	Billions of Liters/Net MWh	Annual	Partially sourced from EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.
9 Waste Products					
9.1	Percent of Non-hazardous Municipal Solid Waste Diverted	Percent of non-hazardous municipal solid waste, including construction and demolition (C&D) waste diverted. If no weight data are available, estimate the weight using available information on waste density and volume collected, mass balances, or similar information.	Percent	Annual	Partially sourced from EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.
9.2	Percent of Coal Combustion Products Beneficially Used	Percent of coal combustion products (CCPs)—fly ash, bottom ash, boiler slag and flue gas desulfurization materials—diverted from disposal into beneficial uses, including being sold. Only include CCPs generated at company equity-owned facilities. If no weight data are available, estimate the weight using available information on waste density and volume collected, mass balances, or similar information.	Percent	Annual	Partially sourced from EPRI, <i>Metrics to Benchmark Sustainability Performance for the Electric Power Industry</i> , 2016 Technical Report.



epelectric.com

Printed on recycled paper.