THIS FILING IS		
Item 1: [X] An Initial (Original) Submission	OR [ ]	Resubmission No. ____

Form 1 Approved
OMB No.1902-0021
(Expires 12/31/2019)
Form 1-F Approved
OMB No.1902-0029
(Expires 12/31/2019)
Form 3-Q Approved
OMB No.1902-0205
(Expires 12/31/2019)

FERC FINANCIAL REPORT
FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)	Year/Period of Report
El Paso Electric Company	End of 2017/Q3

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q)is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

(1) one million megawatt hours of total annual sales,
(2) 100 megawatt hours of annual sales for resale,
(3) 500 megawatt hours of annual power exchanges delivered, or
(4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: http://www.ferc.gov/docs-filing/forms/form-1/elec-subm-soft.asp. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

Reference Schedules	Pages
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of ___________ , we have also reviewed schedules ___________________of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

(f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at http://www.ferc.gov/help/how-to.asp.

(g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from http://www.ferc.gov/docs-filing/forms/form-1/form-1.pdf and http://www.ferc.gov/docs-filing/forms.asp#3Q-gas .

IV. When to Submit:

FERC Forms 1 and 3-Q must be filed by the following schedule:

a) FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and

b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,168 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 168 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.

II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.

III Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.

V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions** (see VII. below).

VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.

VII For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.

VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.

IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and" firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and “firm” means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) ’Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power; ......

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies*.10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be field..."

General Penalties

The Commission may assess up to $1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

IDENTIFICATION

01 Exact Legal Name of Respondent El Paso Electric Company	02 Year/Period of Report End of 2017/Q3
03 Previous Name and Date of Change *(if name changed during year)* / /	
04 Address of Principal Office at End of Period *(Street, City, State, Zip Code)* P.O. Box 982, El Paso, TX 79960-0982; 100 North Stanton, El Paso, TX 79901	
05 Name of Contact Person Russell G. Gibson	06 Title of Contact Person Vice President & Conroller
07 Address of Contact Person *(Street, City, State, Zip Code)* P.O. Box 982, El Paso, TX 79960-0982; 100 North Stanton, El Paso, TX 79901	

08 Telephone of Contact Person, *Including Area Code* (915) 351-4222	09 This Report Is (1) [X] An Original (2) [ ] A Resubmission	10 Date of Report *(Mo, Da, Yr)* / /

QUARTERLY CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name /s/ Russell G. Gibson 02 Title Vice President & Controller	03 Signature /s/ Russell G. Gibson	04 Date Signed *(Mo, Da, Yr)* 11/17/2017

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	Important Changes During the Quarter	108-109	
2	Comparative Balance Sheet	110-113	
3	Statement of Income for the Quarter	114-117	
4	Statement of Retained Earnings for the Quarter	118-119	
5	Statement of Cash Flows	120-121	
6	Notes to Financial Statements	122-123	
7	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122 (a)(b)	
8	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
9	Electric Plant In Service and Accum Provision For Depr by Function	208	
10	Transmission Service and Generation Interconnection Study Costs	231	
11	Other Regulatory Assets	232	
12	Other Regulatory Liabilities	278	
13	Elec Operating Revenues (Individual Schedule Lines 300-301)	300-301	
14	Regional Transmission Service Revenues (Account 457.1)	302	Not Applicable
15	Electric Prod, Other Power Supply Exp, Trans and Distrib Exp	324a-324b	
16	Electric Customer Accts, Service, Sales, Admin and General Expenses	325	
17	Transmission of Electricity for Others	328-330	
18	Transmission of Electricity by ISO/RTOs	331	Not Applicable
19	Transmission of Electricity by Others	332	
20	Deprec, Depl and Amort of Elec Plant (403,403.1,404,and 405) (except A	338	
21	Amounts Included in ISO/RTO Settlement Statements	397	Not Applicable
22	Monthly Peak Loads and Energy Output	399	
23	Monthly Transmission System Peak Load	400	
24	Monthly ISO/RTO Transmission System Peak Load	400a	Not Applicable

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

1. Changes in and Important Additions to Franchise Rights:

None.

2. Acquisition of Ownership in Other Companies:

None.

3. Purchase or Sale of an Operating Unit or System:

None.

4. Important Leaseholds That Have Been Acquired or Given, Assigned or Surrendered:

None.

5. Important Extension or Reduction of Transmission or Distribution System:

None.

6. Obligations Incurred as a Result of Issuance of Securities or Assumption of Liabilities or Guarantees:

None.

7. Changes in Articles of Incorporation:

On July 27, 2017, the Board of Directors of the Company amended and restated the Bylaws of the Company (as amended and restated, the "Amended and Restated Bylaws"). The Amended and Restated Bylaws amended the Company's existing Bylaws to provide for, among other things, the position of Vice Chairman of the Board (Article V, Section 5), modifications to the compensation of directors (Article III, Section 14), the duties of certain officers (Article V, Sections 4 and 6), and the definition of "Continuing Directors" (Article VII, Section 8), the duties and powers of the person to preside at meetings of the shareholders of the Company and the conduct of such meetings (Article II, Section 13), and other technical, conforming and clarifying changes, including changing references to the Texas Business Organizations Code instead of the Texas Business Corporation Act.

8. Important Wage Scale Changes:

Base salaries for non-union employees were increased by an average of approximately 3% effective in January 2017 compared to 2016 through the merit award process. The annual effect of this increase was approximately $1.8 million.

Base salaries for union employees under contract were increased by 3% effective September 2017 compared to the previous level. The annual effect of this increase was approximately $1.0 million.

9. Materially Important Legal Proceedings:

The Company is a party to various legal actions. In many of these matters, the Company has excess casualty liability insurance that covers the various claims, actions and complaints. Based upon a review of the matters and applicable insurance coverage, the Company believes that none of these matters will have a material adverse effect on the financial position, results of operations or cash flows of the Company.

Also, see Notes B, F and G of "Notes to Financial Statements."

10. Materially Important Transactions:

None.

11. Reserved

12. Important changes during the year:

2017 Texas Retail Rate Case Filing. On February 13, 2017, the Company filed with the City of El Paso, other municipalities incorporated in the Company's Texas service territory and the Public Utility Commission of Texas ("PUCT") in Docket No. 46831, a request for an increase in non-fuel base revenues of approximately $42.5 million. On May 16, 2017, the Company filed a motion to sever rate case expense issues from the main rate case. The request was approved by the Administrative Law Judges ("ALJs"), initiating Docket No. 47228, on June 5, 2017.

On July 21, 2017, the Company filed its rebuttal testimony modifying the requested increase to $39.2 million. The decrease from the original request related primarily to the transfer of the recovery of $3.0 million of the rate case expenses to a separate proceeding as noted above. The Company requested, pursuant to its statutory right, to have its new rates relate back for consumption on and after July 18, 2017, which was the 155th day after the filing of the rate case. The difference in rates that would have been billed will be surcharged or refunded to customers after the PUCT's final order is issued in Docket No. 46831. The PUCT has the authority to require the Company to surcharge or refund such difference over a period not to exceed 18 months.

On November 2, 2017 the Joint Motion to Implement Uncontested Stipulation and Agreement ("2017 Unopposed Settlement") was filed with the ALJs for the Company's rate case pending in Docket No. 46831. Key terms of the 2017 Unopposed Settlement include: (i) an annual non-fuel base rate increase of $14.5 million; (ii) a return on equity of 9.65%; (iii) a determination that all new plant in service was prudent and used and useful and therefore is included in rate base; and (iv) allowing the Company to recover approximately $3.4 million in rate case expenses incurred through August 2017, through a separate surcharge over a three year period. The 2017 Unopposed Settlement also establishes baseline revenue requirements for recovery of future transmission and distribution investment costs and includes a minimum monthly bill of $30.00 for new residential customers with distributed generation, such as private rooftop solar. Additionally, the 2017 Unopposed Settlement allows for the annual recovery of $2.1 million of nuclear decommissioning funding and establishes annual depreciation expense that is approximately $1.9 million lower than the annual amount requested by the Company in its initial filing.

The filing with the ALJs requested that they return the case to the PUCT for approval, and on November 6, 2017, the case was dismissed from the State Office Administrative Hearings docket and returned to the PUCT for processing and approval. A final PUCT order ("Final Order") in the 2017 Texas retail rate case is expected to be issued in the fourth quarter of 2017.

The Company did not recognize the impacts of the 2017 Unopposed Settlement in the Statement of Income for the third quarter of 2017 because the Final Order has not yet been issued by the PUCT. At this time, the Company believes the revenue and other impacts of the 2017 Unopposed Settlement for financial reporting purposes will be recognized during the fourth quarter of 2017, which is when the Final Order is expected to be issued by the PUCT. Regardless of when the Final Order is issued by the PUCT, the new rates are expected to relate back to consumption on or after July 18, 2017.

Fuel Reconciliation Proceeding. On September 27, 2016, the Company filed an application with the PUCT, designated as PUCT Docket No. 46308, to reconcile $436.6 million of Texas fuel and purchased power expenses incurred during the period of April 1, 2013 through March 31, 2016. On June 29, 2017, the PUCT approved a settlement in this proceeding. The settlement provides for the reconciliation of fuel and purchased power costs incurred from April 1, 2013 through March 31, 2016. Additionally, the settlement modifies and tightens the Palo Verde Nuclear Generating Station ("Palo Verde") performance rewards measurement bands beginning with the 2018 performance period. The financial results for the nine months ended September 30, 2017 include a $5.0 million, pre-tax increase to income reflecting the settlement of the Texas fuel reconciliation proceeding. This amount includes Palo Verde performance rewards associated with the 2013 to 2015 performance periods net of disallowed fuel and purchased power costs as approved in the settlement. As of September 30, 2017, Texas jurisdictional fuel and purchased power costs subject to a future Texas fuel reconciliation are approximately $223.3 million.

13. Changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period:

On May 25, 2017, Mary E. Kipp was appointed by the Board of Directors of the Company to serve as President of the Company concurrently with her position as the Company’s Chief Executive Officer. Ms. Kipp has served as the Company’s Chief Executive Officer since December 2015.

On May 25, 2017, J. Robert Brown retired from the Board of Directors of the Company in accordance with the director retirement policy in the Company’s Corporate Governance Guidelines.

On May 25, 2017, Thomas V. Shockley, III, retired from the Board of Directors of the Company in accordance with the director retirement policy in the Company’s Corporate Governance Guidelines.

On May 25, 2017, Paul M. Barbas, was appointed to the Board of Directors of the Company. Formerly, Mr. Barbas served as President and Chief Executive Officer of DPL Inc., a midsize utility in Dayton, Ohio, and its principal subsidiary, The Dayton Power and Light Company, from October 2006 to December 2011.

On May 25, 2017, Raymond Palacios, Jr., was appointed to the Board of Directors of the Company. Mr. Palacios has served as President of Bravo Cadillac in El Paso, Texas since 2000, and President of Bravo Chevrolet Cadillac in Las Cruces, New Mexico since 2004.

On July 7, 2017, John R. Boomer, Senior Vice President, resigned from the Company.

On September 18, 2017, Adrian J. Rodriguez was appointed Senior Vice President, General Counsel and Assistant Secretary. Formerly, Mr. Rodriguez served as Vice President, General Counsel and Assistant Secretary from May 2017 to September 2017; Principal Attorney from July 2016 to May 2017; Senior Attorney from November 2014 to July 2016; and Staff Attorney from 2013 to November 2014.

14. Cash management programs and events causing the proprietary capital to be less than 30 percent:

None.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**UTILITY PLANT**			
2	Utility Plant (101-106, 114)	200-201	4,859,305,476	4,720,359,747
3	Construction Work in Progress (107)	200-201	154,806,089	154,738,506
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		5,014,111,565	4,875,098,253
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	2,226,419,193	2,161,720,490
6	Net Utility Plant (Enter Total of line 4 less 5)		2,787,692,372	2,713,377,763
7	Nuclear Fuel in Process of Ref., Conv.,Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		209,044,160	196,173,010
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	86,389,491	76,343,039
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		122,654,669	119,829,971
14	Net Utility Plant (Enter Total of lines 6 and 13)		2,910,347,041	2,833,207,734
15	Utility Plant Adjustments (116)		0	-947,680
16	Gas Stored Underground - Noncurrent (117)		0	0
17	**OTHER PROPERTY AND INVESTMENTS**			
18	Nonutility Property (121)		709,446	709,446
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	0	0
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		1,776,102	1,455,555
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		284,339,087	262,154,162
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets – Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		286,824,635	264,319,163
33	**CURRENT AND ACCRUED ASSETS**			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		6,337,780	8,068,258
36	Special Deposits (132-134)		0	0
37	Working Fund (135)		511,764	172,070
38	Temporary Cash Investments (136)		210,052	179,627
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		88,641,083	55,437,716
41	Other Accounts Receivable (143)		11,409,534	14,240,188
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		2,461,389	2,184,779
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		0	0
45	Fuel Stock (151)	227	2,069,717	1,831,509
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	49,192,982	45,355,549
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	-109,242	27,823

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	-28,731	1,106
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		12,824,126	9,699,364
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		2,339	6,388
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		29,913,000	20,952,000
62	Miscellaneous Current and Accrued Assets (174)		452,026	-25,406
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		198,965,041	153,761,413
68	**DEFERRED DEBITS**			
69	Unamortized Debt Expenses (181)		13,055,673	13,300,775
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	128,763,219	145,850,294
73	Prelim. Survey and Investigation Charges (Electric) (183)		892,438	865,320
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		-111,206	-345,325
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	6,064,537	5,632,375
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		15,908,719	16,573,162
82	Accumulated Deferred Income Taxes (190)	234	228,635,874	251,438,660
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		393,209,254	433,315,261
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		3,789,345,971	3,683,655,891

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	65,828,688	65,824,151
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		312,063,988	310,164,281
7	Other Paid-In Capital (208-211)	253	2,833,359	2,448,606
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	340,939	340,939
11	Retained Earnings (215, 215.1, 216)	118-119	1,195,203,978	1,142,889,432
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Reaquired Capital Stock (217)	250-251	420,381,587	421,514,793
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-1,150,143	-7,116,015
16	Total Proprietary Capital (lines 2 through 15)		1,154,057,344	1,092,354,723
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	159,835,000	193,135,000
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	1,000,000,000	1,000,000,000
22	Unamortized Premium on Long-Term Debt (225)		6,844,063	6,935,167
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		3,653,022	3,740,286
24	Total Long-Term Debt (lines 18 through 23)		1,163,026,041	1,196,329,881
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		45,000,000	45,000,000
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		0	0
29	Accumulated Provision for Pensions and Benefits (228.3)		121,542,054	127,168,099
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		91,122,905	81,799,925
35	Total Other Noncurrent Liabilities (lines 26 through 34)		257,664,959	253,968,024
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		77,000,000	44,000,000
38	Accounts Payable (232)		57,250,130	62,953,407
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		0	0
41	Customer Deposits (235)		6,854,955	6,753,534
42	Taxes Accrued (236)	262-263	36,344,696	28,776,698
43	Interest Accrued (237)		18,738,430	11,585,596
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)(continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		2,734,185	1,746,875
48	Miscellaneous Current and Accrued Liabilities (242)		19,980,375	21,207,903
49	Obligations Under Capital Leases-Current (243)		91,191,216	89,274,728
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		310,093,987	266,298,741
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		20,451,649	18,868,550
57	Accumulated Deferred Investment Tax Credits (255)	266-267	20,778,136	19,772,475
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	4,381,409	1,622,814
60	Other Regulatory Liabilities (254)	278	45,738,644	39,901,322
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		794,553,207	772,657,141
64	Accum. Deferred Income Taxes-Other (283)		18,600,595	21,882,220
65	Total Deferred Credits (lines 56 through 64)		904,503,640	874,704,522
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		3,789,345,971	3,683,655,891

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility columnin a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	720,647,769	698,899,346	297,469,441	323,225,685
3	Operating Expenses					
4	Operation Expenses (401)	320-323	363,424,037	353,379,598	134,145,601	141,551,382
5	Maintenance Expenses (402)	320-323	53,349,184	52,004,629	11,943,644	14,063,947
6	Depreciation Expense (403)	336-337	62,192,161	59,344,850	21,062,226	14,692,619
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337	-804,188	-874,488	-276,206	-292,675
8	Amort. & Depl. of Utility Plant (404-405)	336-337	4,640,200	3,908,226	1,651,026	1,274,293
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)		1,010,743	342,245	336,034	201,430
13	(Less) Regulatory Credits (407.4)		195,930	65,310	65,310	65,310
14	Taxes Other Than Income Taxes (408.1)	262-263	54,208,101	50,296,458	21,213,397	20,163,927
15	Income Taxes - Federal (409.1)	262-263	-1,946,811	-7,912,551	-654,652	-7,042,762
16	- Other (409.1)	262-263	1,452,860	1,682,599	1,023,782	705,058
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	105,789,911	169,062,937	46,962,441	114,225,947
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	60,328,470	120,535,650	15,127,555	72,139,105
19	Investment Tax Credit Adj. - Net (411.4)	266	1,005,661	-1,164,726	54,145	-388,242
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)		5,723,816	5,457,750	1,924,292	1,715,306
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		589,521,275	564,926,567	224,192,865	228,665,815
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		131,126,494	133,972,779	73,276,576	94,559,870

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

STATEMENT OF INCOME FOR THE YEAR (Continued)

9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purches, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
720,647,769	698,899,346					2
						3
363,424,037	353,379,598					4
53,349,184	52,004,629					5
62,192,161	59,344,850					6
-804,188	-874,488					7
4,640,200	3,908,226					8
						9
						10
						11
1,010,743	342,245					12
195,930	65,310					13
54,208,101	50,296,458					14
-1,946,811	-7,912,551					15
1,452,860	1,682,599					16
105,789,911	169,062,937					17
60,328,470	120,535,650					18
1,005,661	-1,164,726					19
						20
						21
						22
						23
5,723,816	5,457,750					24
589,521,275	564,926,567					25
131,126,494	133,972,779					26

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q3

STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL Current Year (c)	TOTAL Previous Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
27	Net Utility Operating Income (Carried forward from page 114)		131,126,494	133,972,779	73,276,576	94,559,870
28	Other Income and Deductions					
29	Other Income					
30	Nonutilty Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)		357,655	527,708	233,576	272,180
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		538,709	748,349	258,198	312,356
33	Revenues From Nonutility Operations (417)					
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental Income (418)					
36	Equity in Earnings of Subsidiary Companies (418.1)	119				
37	Interest and Dividend Income (419)		5,043,928	4,867,338	1,745,850	1,678,305
38	Allowance for Other Funds Used During Construction (419.1)		2,209,069	5,867,265	668,635	1,399,040
39	Miscellaneous Nonoperating Income (421)		13,706,689	10,548,193	3,037,019	3,720,682
40	Gain on Disposition of Property (421.1)		846,238	997,434	8,147	
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		21,624,870	22,059,589	5,435,029	6,757,851
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)			947,683		
44	Miscellaneous Amortization (425)			158,343		7,219
45	Donations (426.1)		951,251	1,095,259	325,536	490,646
46	Life Insurance (426.2)		263,092	228,920	320,595	285,946
47	Penalties (426.3)		1,511		1,356	
48	Exp. for Certain Civic, Political & Related Activities (426.4)		551,450	520,935	157,961	184,561
49	Other Deductions (426.5)		287,431	1,331,167	-170,065	389,169
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		2,054,735	4,282,307	635,383	1,357,541
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	6,580	5,751	1,551	2,115
53	Income Taxes-Federal (409.2)	262-263	3,950,080	9,251,270	914,053	7,689,903
54	Income Taxes-Other (409.2)	262-263	110,793	531,215	23,634	506,271
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	280,037	552,433	60,521	214,765
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	66,473	355,590	169	355,482
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		4,281,017	9,985,079	999,590	8,057,572
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		15,289,118	7,792,203	3,800,056	-2,657,262
61	Interest Charges					
62	Interest on Long-Term Debt (427)		53,567,142	51,805,181	17,749,488	17,835,048
63	Amort. of Debt Disc. and Expense (428)		848,608	838,386	275,425	297,311
64	Amortization of Loss on Reaquired Debt (428.1)		664,443	664,443	221,481	221,481
65	(Less) Amort. of Premium on Debt-Credit (429)		91,104	86,906	30,846	29,446
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)					
68	Other Interest Expense (431)		1,719,654	1,182,153	487,775	238,150
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		2,172,221	4,164,258	670,754	1,131,730
70	Net Interest Charges (Total of lines 62 thru 69)		54,536,522	50,238,999	18,032,569	17,430,814
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		91,879,090	91,525,983	59,044,063	74,471,794
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		91,879,090	91,525,983	59,044,063	74,471,794

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		1,142,889,432	1,094,535,966
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4	Federal income tax effect: Cumulative Effect Retained Earnings Adjustment			
5	(ASU) 2016-09. Compensation-Stock Compensation (Topic 718):			
6	Improvement to EmployeeShare-Based Payment Accounting	190	182,628	
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)		182,628	
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		91,879,090	97,956,132
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31	Class Common stock $1 par value		-39,747,172	(49,602,666)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-39,747,172	(49,602,666)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		1,195,203,978	1,142,889,432
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		1,195,203,978	1,142,889,432
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)			
50	Equity in Earnings for Year (Credit) (Account 418.1)			
51	(Less) Dividends Received (Debit)			
52				
53	Balance-End of Year (Total lines 49 thru 52)			

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q3

STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	91,879,090	91,525,983
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	62,192,161	59,344,850
5	Amortization of Other	15,981,979	12,614,134
6	Amortization of Nuclear Fuel	32,639,870	33,311,183
7			
8	Deferred Income Taxes (Net)	45,492,384	48,724,150
9	Investment Tax Credit Adjustment (Net)	1,005,661	-1,164,726
10	Net (Increase) Decrease in Receivables	-39,298,239	-46,370,079
11	Net (Increase) Decrease in Inventory	-3,125,061	-40,212
12	Net (Increase) Decrease in Allowances Inventory	137,065	23,782
13	Net Increase (Decrease) in Payables and Accrued Expenses	14,415,796	20,114,091
14	Net (Increase) Decrease in Other Regulatory Assets	14,475,492	-18,605,274
15	Net Increase (Decrease) in Other Regulatory Liabilities	2,765,402	-2,803,581
16	(Less) Allowance for Other Funds Used During Construction	2,209,069	5,867,265
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote):	-6,247,623	-2,830,145
19			
20	Deferred Charges and Credits	-5,312,463	-6,607,404
21	Net (Increase) Decrease in Prepayments and Other	-5,877,227	-4,466,749
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	218,915,218	176,902,738
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-144,749,028	-178,861,776
27	Gross Additions to Nuclear Fuel	-35,618,693	-33,789,960
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-2,209,069	-5,867,265
31	Other (provide details in footnote):		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-178,158,652	-206,784,471
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		3,250,904
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q3

STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Investment in Decommissioning Trust Fund (Purchases)	-80,785,484	-66,463,141
54	Investment in Decomissioning Trust Fund (Sales and Maturities)	76,497,782	60,164,971
55	Other (provided details in footnote):	-203,267	3,383,594
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-182,649,621	-206,448,143
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)		157,051,500
62	Preferred Stock		
63	Common Stock		
64	Other: Financing and Other Capital Lease Obligations- Proceeds	532,332,367	269,976,477
65			
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	532,332,367	427,027,977
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-33,300,000	
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):	-906,605	-1,782,308
77	Financing and Capital Lease Obligations	-496,004,546	-356,522,810
78	Net Decrease in Short-Term Debt (c)		
79	Tax (Obligations) Benefits from Long-Term Incentive Plans		-262,008
80	Dividends on Preferred Stock		
81	Dividends on Common Stock	-39,747,172	-37,020,868
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-37,625,956	31,439,983
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	-1,360,359	1,894,578
87			
88	Cash and Cash Equivalents at Beginning of Period	8,419,955	8,149,008
89			
90	Cash and Cash Equivalents at End of period	7,059,596	10,043,586

Schedule Page: 120 Line No.: 18 Column: a

	2017	2016
Other:		
Net Gain on Sale of Property, Plant and Equipment	$ 0	$ (545,029)
Net Gains on Equity Investments	(9,122,003)	(5,569,974)
Amortization of Unearned Compensation	3,613,059	2,914,251
Unrealized (Gains) Losses on Investments in Debt Securities	(320,547)	144,585
Other Operating Activities	(418,132)	226,022
Total	$ (6,247,623)	$ (2,830,145)

Schedule Page: 120 Line No.: 55 Column: a

	2017	2016
Other:		
Net Customer Advances for Construction	$ 1,583,099	$ 2,963,200
Net Salvage Value and Cost of Removal	(1,786,366)	(527,289)
Provision for Four Corners Decommissioning Salvage Value	0	947,683
Total	$ (203,267)	$ 3,383,594

NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Cormmission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

Note 1. Regulatory-Basis Financial Statements

The accompanying regulatory-basis financial statements are presented in accordance with the accounting requirements of the Federal Energy Regulatory Commission (the "FERC") as set forth in its applicable Uniform System of Accounts and published accounting releases which is a comprehensive basis of accounting other than U.S. Generally Accepted Accounting Principles ("GAAP") used in the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2017 filed by El Paso Electric Company with the Securities and Exchange Commission (the "September 30, 2017 Form 10-Q"). Notes A through I of the regulatory-basis financial statements are from the September 30, 2017 Form 10-Q and have been revised where the presentation of regulatory-basis financial statements, in accordance with requirements under the Uniform System of Accounts and published accounting releases of the FERC, result in different financial statement amounts or disclosures than under GAAP. Because many types of transactions are susceptible to varying interpretations, the amounts and classifications reported in the accompanying regulatory-basis financial statements may be subject to change at a later date upon final determination by the FERC. In the remainder of this Note 1, information contained in Notes A through I is supplemented for additional regulatory-basis disclosures.

Regulatory-Basis Financial Statements Compared to GAAP

The significant differences between the Company's regulatory-basis financial statements and those prepared in accordance with GAAP include the application of fresh-start reporting to the GAAP financial statements and the discontinuance and subsequent re-application of the provisions of Financial Accounting Standards Board ("FASB") accounting guidance for regulated operations. In 1996, the Company adopted fresh-start reporting for its GAAP financial statements in accordance with the FASB guidance related to financial reporting by entities in reorganization under the bankruptcy code. The adoption of fresh-start reporting resulted in the creation of a new reporting entity having no retained earnings or accumulated deficit and significantly altered, compromised, or modified the Company's historical capital structure.

GAAP requires earnings per share information on the income statement and the classification of tax assets related to an uncertainty in income taxes as a reduction to related tax asset rather than as an increase to current liabilities. GAAP also requires the classification of interest and penalties related to uncertain tax positions as tax expense rather than as interest and penalty expense.

In addition, certain items in the accompanying regulatory-basis financial statements are classified differently under FERC requirements than in the Company's GAAP financial statements.

Statement of Cash Flows

Cash and cash equivalents and amortization of other presented on the statement of cash flows for the nine months ended September 30, 2017 and 2016 consist of the following (in thousands):

	2017	2016
Cash and Cash Equivalents:		
Cash (131)	$ 6,338	$ 8,312
Working funds (135)	512	1,560
Temporary cash investments (136)	210	172
Cash and cash equivalents at end of period	$ 7,060	$ 10,044
Amortization of Other:		
ARO depreciation (403.1)	$ (804)	$ (874)
Other utility plant (404)	4,640	3,908
Regulatory assets (407.3)	1,011	342
Regulatory liabilities (407.4)	(196)	(65)
ARO liability accretion (411.10)	5,724	5,458
Miscellaneous amortization (425)	0	158
Debt expense (428)	849	838
Loss on reacquired debt (428.1)	664	664
Debt premium (429)	(91)	(87)
Interest rate lock losses	396	371
Nuclear fuel financing issuance costs	124	117
Dry cask storage costs	1,778	876
Coal reclamation costs	410	801
Texas rate case costs	1,144	0
New Mexico rate case costs	333	107
	$ 15,982	$ 12,614

A. Principles of Preparation

These condensed financial regulatory-basis statements should be read in conjunction with the regulatory-basis financial statements and notes thereto in the Annual Report of El Paso Electric Company on FERC Form No. 1 for the fiscal year ended December 31, 2016 ("2016 FERC Form No. 1"). Capitalized terms used in this report and not defined herein have the meaning ascribed to such terms in the 2016 FERC Form No. 1. In the opinion of the Company's management, the accompanying regulatory-basis financial statements contain all adjustments necessary to present fairly the financial position of the Company at September 30, 2017 and December 31, 2016; the results of its operations for the three and nine months ended September 30, 2017 and 2016 and comprehensive operations for the nine months ended September 30, 2017 and the year ended December 31, 2016; and its cash flows for the nine months ended September 30, 2017 and 2016. The results of operations for the three and nine months ended September 30, 2017, and comprehensive operations and the cash flows for the nine months ended September 30, 2017, are not necessarily indicative of the results to be expected for the full calendar year.

Basis of Presentation. The Company maintains its accounts in accordance with the accounting requirements of the FERC set forth in its applicable Uniform System of Accounts and published accounting releases, and applies such principles in its regulatory books of account to the rate treatment as ordered by each of the Company's three regulators (the PUCT, the New Mexico Public Regulation Commission (the "NMPRC"), and the FERC), which is a comprehensive basis of accounting other than GAAP.

Use of Estimates. The preparation of regulatory-basis financial statements in conformity with regulatory accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the regulatory-basis financial statements and the reported amounts of revenues and expenses during the reporting period. The Company evaluates its estimates on an on-going basis, including those related to depreciation, unbilled revenue (or "Accrued Utility Revenue"), income taxes, fuel costs, pension and other post-retirement obligations and asset retirement obligations ("ARO"). Actual results could differ from those estimates.

Revenues. Revenues related to the sale of electricity are generally recorded when service is provided or electricity is delivered to customers. The billing of electricity sales to retail customers is based on the reading of their meters, which occurs on a systematic basis throughout the month. Accrued Utility Revenues are recorded for estimated amounts of energy delivered in the period following the customer's billing cycle to the end of the month. Accrued Utility Revenues are estimated based on monthly generation volumes and by applying an average revenue/kWh to the number of estimated kWhs delivered but not billed. The Company presents revenues net of sales taxes in its regulatory-basis statement of income.

Depreciation. The Company routinely evaluates the depreciable service lives, cost of removal and salvage values of its property, plant and equipment. Depreciation is provided on a straight-line basis over the estimated remaining lives of the assets (ranging in average from 5 to 48 years). When mass-asset property is retired or otherwise disposed of in the normal course of business, its cost, together with the cost of removal, less salvage, is charged to accumulated depreciation. For other property dispositions, the applicable cost and accumulated depreciation is removed from the balance sheet accounts and a gain or loss is recognized.

Supplemental Cash Flow Disclosures (in thousands)

	Nine Months Ended September 30, 2017	2016
Cash paid for:		
Interest on long-term debt and borrowings under the revolving credit facility	$ 47,412	$ 46,867
Income tax paid, net	1,576	3,337
Non-cash investing and financing activities:		
Sale of interest in Four Corners Generation Station (a)	—	27,720
Changes in accrued plant additions	(6,228)	4,277
Grants of restricted shares of common stock	1,171	1,236
Issuance of performance shares	932	—

(a) The Company sold its interest in Four Corners Generating Station ("Four Corners") in July 2016 for approximately $32.0 million based on book value as defined in the purchase and sale agreement related to the sale. The sales price was adjusted downward by $7.0 million and $19.5 million to reflect Arizona Public Service Company's ("APS") affiliate assumption of the Company's obligation to pay for future plant decommissioning and mine reclamation expense, respectively. The sales price was also adjusted downward by approximately $1.3 million for closing adjustments and other assets and liabilities assumed by APS's affiliate. At the closing of the sale on July 6, 2016, the Company received approximately $4.2 million in cash.

New Accounting Standards

The new accounting standards discussed below are issued by the FASB and are to be applied to financial statements prepared in accordance with GAAP. Differences may occur between financial statements prepared in accordance with GAAP and financial statements prepared in accordance with the Uniform System of Accounts when these standards are adopted.

In March 2016, the FASB issued Accounting Standards Update ("ASU") 2016-09, Compensation - Stock Compensation (Topic 718) Improvements to Employee Share-Based Payment Accounting to simplify the accounting for share-based payment transactions, including the income tax consequences, classification of awards either as equity or liabilities, and classification on the regulatory-basis statements of cash flows. The Company adopted the new standard effective January 1, 2017. The adoption of the new standard did not have a material impact on the Company’s financial condition, results of operations or cash flows. The cumulative effect of the adoption of the new standard was to increase net operating loss carryforward deferred tax assets and retained earnings by $0.2 million on January 1, 2017.

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606) to provide a framework that replaces the existing revenue recognition guidance, and has since modified the standard with several ASUs. The standard provides that an entity should recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. More specifically, the standard requires entities to recognize revenue through the application of a five-step model, which includes the: (i) identification of the contract; (ii) identification of the performance obligations; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations; and (v) the recognition of revenue as the entity satisfies the performance obligations. The Company plans to adopt the new standard for reporting periods beginning after December 15, 2017. The Company currently anticipates using the modified retrospective approach.

The Company is currently in the process of evaluating the impact of the new standard on its various revenue and cash flow streams, including the evaluation of the impact, if any, on changes to business processes, systems and controls to support recognition and disclosure under the new guidance. Tariff sales to customers are determined to be in the scope of the new standard and represent a significant portion of the Company's total operating revenues. The Company currently expects that the timing or pattern of revenue recognition from tariff sales will not significantly change. The Company's evaluation of other revenue streams is ongoing. The Company's initial assessments may change as it executes its implementation plan and new guidance is provided by the American Institute of Certified Public Accountants Power and Utilities Industry Task Force. The completion of these assessments could impact current accounting policies, revenue recognition and disclosures in the notes to the regulatory-basis financial statements.

In January 2016, the FASB issued ASU 2016-01, Financial Instruments-Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Liabilities to enhance the reporting model for financial instruments by addressing certain aspects of recognition, measurement, presentation, and disclosure. ASU 2016-01 generally requires entities to measure equity investments that do not result in consolidation and are not accounted for under the equity method at fair value and recognize any changes in fair value in net income. The guidance for classifying and measuring investments in debt securities and loans is not changed by this ASU, but requires entities to record changes in other comprehensive income. Financial assets and financial liabilities must be separately presented by measurement category on the regulatory-basis balance sheet or in the accompanying notes to the regulatory-basis financial statements. ASU 2016-01 clarifies the need for a valuation allowance on a deferred tax asset related to available-for-sale securities in combination with the entity's other deferred tax assets. The provisions of this ASU become effective for reporting periods beginning after December 15, 2017. Upon adoption of the new standard, the Company expects to record the cumulative effects as of January 1, 2018 which will result in an adjustment to accumulated other comprehensive income (losses) and retained earnings for unrealized gains (losses) related to equity securities owned by the Company. The Company is continuing to assess the future impact of this ASU.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the regulatory-basis balance sheet and requiring qualitative and quantitative disclosures on leasing agreements. ASU 2016-02 maintains a distinction between finance leases and operating leases similar to the distinction under previous lease guidance for capital leases and operating leases. The impact of leases reported in the Company's operating results and statement of cash flows is expected to be similar to previous GAAP. ASU 2016-02 requires the recognition in the regulatory-basis balance sheet, by the lessee, of a liability to make lease payments (lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. How leases are recorded in regard to financial position represents a significant change from previous GAAP guidance. The lessee is permitted to make an accounting policy election to not recognize lease assets and lease liabilities for short-term leases. Implementation of the standard will be required for reporting periods beginning after December 15, 2018. Adoption of the new lease accounting standard will require the Company to apply the new standard to the earliest period using a modified retrospective approach. The Company is currently in the process of evaluating the impact of the new standard, which includes continuing to monitor activities of the FASB related to industry specific issues, including the impact of the recently proposed practical expedient related to land easements. The Company's evaluation process also includes evaluating the impact, if any, on changes to business processes, systems and controls to support recognition and disclosure under the new guidance; however, at this time the Company is unable to determine the impact this standard will have on the regulatory-basis financial statements and related disclosures.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326). ASU 2016-13 changes how companies measure and recognize credit impairment for many financial assets. The new current expected credit loss model will require companies to immediately recognize an estimate of credit losses expected to occur over the remaining life of the financial assets that are in the scope of the standard. The ASU also makes targeted amendments to the current impairment model for available-for-sale debt securities. The provisions in ASU 2016-13 will be required for reporting periods beginning after December 15, 2019. ASU 2016-13 will be applied in a modified retrospective approach through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is implemented. The Company is currently assessing the future impact of ASU 2016-13.

In August 2016, the FASB issued ASU 2016-15, Statement of Cash Flows (Topic 230) Classification of Certain Cash Receipts and Cash Payments to reduce diversity in practice in how certain cash receipts and cash payments are classified in the regulatory-basis statement of cash flows. The provisions in ASU 2016-15 will be required for reporting periods beginning after December 15, 2017. ASU 2016-15 will be applied using a retrospective transition method to each period presented. If it is impracticable to apply ASU 2016-15 retrospectively for some of the issues, the amendments for those issues may be applied prospectively as of the earliest date practicable. The Company is currently assessing the future impact of this ASU.

In March 2017, the FASB issued ASU 2017-07, Compensation-Retirement Benefits (Topic 715) Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost. ASU 2017-07 amends Accounting Standards Codification 715, Compensation - Retirement Benefits, to require companies to present the service cost component of net benefit cost in the income statement line items where compensation cost is reported. Companies will present all other components of net benefit cost separately from the line item(s) that includes the service cost and outside of any subtotal of operating income. In addition, only the service cost component will be eligible for capitalization in assets. The amendments in ASU 2017-07 will be required for reporting periods beginning after December 15, 2017. The amendments in ASU 2017-07 should be applied retrospectively for the income statement presentation of the service cost component and the other components of net benefit costs and prospectively, on and after the effective date, for the capitalization of the service cost component. The Company is currently assessing the future impact of this ASU.

In May 2017, the FASB issued ASU 2017-09, Compensation-Stock Compensation (Topic 718), Scope of Modification Accounting, to provide guidance about when to account for a change to the terms or conditions of a share-based payment award as a modification. Under ASU 2017-09, modification accounting is required only if the fair value, the vesting conditions, or the classification of the award (as equity or liability) changes as a result of the change in terms or conditions. The amendments of ASU 2017-09 will be required for reporting periods beginning after December 15, 2017. ASU 2017-09 should be applied prospectively to an award modified on or after the adoption date. The Company is assessing the future impact of ASU 2017-09; however, it currently does not expect the impact of this ASU to be significant.

B. Regulation

General

The rates and services of the Company are regulated by incorporated municipalities in Texas, the PUCT, the NMPRC, and the 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.

Texas Regulatory Matters

2015 Texas Retail Rate Case Filing. On August 10, 2015, the Company filed with the City of El Paso, other municipalities incorporated in its Texas service territory, and the PUCT in Docket No. 44941, a request for an annual increase in non-fuel base revenues ("2015 Texas Retail Rate Case").

On July 21, 2016, the parties to PUCT Docket No. 44941 filed the Joint Motion to Implement Uncontested Amended and Restated Stipulation and Agreement which was unopposed by the parties ("2016 Unopposed Settlement"). On August 25, 2016, the PUCT approved the 2016 Unopposed Settlement and issued its final order in Docket No. 44941 ("2016 PUCT Final Order"), as proposed. The 2016 PUCT Final Order provided for: (i) an annual non-fuel base rate increase, lower annual depreciation expense, a revised return on equity for allowance for funds used during construction ("AFUDC") purposes, and the inclusion of substantially all new plant in service in rate base; (ii) an additional annual non-fuel base rate increase of $3.7 million related to Four Corners costs, which was collected through a surcharge that terminated on July 11, 2017; (iii) removing the separate rate treatment for residential customers with solar systems that the Company had proposed in its August 10, 2015 filing; (iv) allowing the Company to recover $3.1 million in rate case expenses through a separate surcharge; and (v) allowing the Company to recover revenues associated with the relate back of rates to consumption on and after January 12, 2016 through March 31, 2016 through a separate surcharge.

Interim rates associated with the annual non-fuel base rate increase became effective on April 1, 2016. The additional surcharges associated with the incremental Four Corners costs, rate case expenses and the relate back of rates to consumption on and after January 12, 2016 through March 31, 2016 were implemented on October 1, 2016.

For financial reporting purposes, the Company deferred any recognition of the Company's request in its 2015 Texas Retail Rate Case until it received the 2016 PUCT Final Order on August 25, 2016. Accordingly, it reported in the third quarter of 2016 the cumulative effect of the 2016 PUCT Final Order which related back to January 12, 2016.

2017 Texas Retail Rate Case Filing. On February 13, 2017, the Company filed with the City of El Paso, other municipalities incorporated in the Company's Texas service territory and the PUCT in Docket No. 46831, a request for an increase in non-fuel base revenues of approximately $42.5 million. On May 16, 2017, the Company filed a motion to sever rate case expense issues from the main rate case. The request was approved by the Administrative Law Judges ("ALJs"), initiating Docket No. 47228, on June 5, 2017.

On July 21, 2017, the Company filed its rebuttal testimony modifying the requested increase to $39.2 million. The decrease from the original request related primarily to the transfer of the recovery of $3.0 million of the rate case expenses to a separate proceeding as noted above. The Company requested, pursuant to its statutory right, to have its new rates relate back for consumption on and after July 18, 2017, which was the 155th day after the filing of the rate case. The difference in rates that would have been billed will be surcharged or refunded to customers after the PUCT's final order is issued in Docket No. 46831. The PUCT has the authority to require the Company to surcharge or refund such difference over a period not to exceed 18 months.

On November 2, 2017 the Joint Motion to Implement Uncontested Stipulation and Agreement ("2017 Unopposed Settlement") was filed with the ALJs for the Company's rate case pending in Docket No. 46831. Key terms of the 2017 Unopposed Settlement include: (i) an annual non-fuel base rate increase of $14.5 million; (ii) a return on equity of 9.65%; (iii) a determination that all new plant in service was prudent and used and useful and therefore is included in rate base; and (iv) allowing the Company to recover approximately $3.4 million in rate case expenses incurred through August 2017, through a separate surcharge over a three-year period. The 2017 Unopposed Settlement also establishes baseline revenue requirements for recovery of future transmission and distribution investment costs and includes a minimum monthly bill of $30.00 for new residential customers with distributed generation, such as private rooftop solar. Additionally, the 2017 Unopposed Settlement allows for the annual recovery of $2.1 million of nuclear decommissioning funding and establishes annual depreciation expense that is approximately $1.9 million lower than the annual amount requested by the Company in its initial filing.

The filing with the ALJs requested that they return the case to the PUCT for approval, and on November 6, 2017, the case was dismissed from the State Office of Administrative Hearings docket and returned to the PUCT for processing and approval. A final PUCT order ("Final Order") in the 2017 Texas retail rate case is expected to be issued in the fourth quarter of 2017.

The Company did not recognize the impacts of the 2017 Unopposed Settlement in the Statements of Operations for the third quarter of 2017 because the Final Order has not yet been issued by the PUCT. At this time, the Company believes the revenue and other impacts of the 2017 Unopposed Settlement for financial reporting purposes will be recognized during the fourth quarter of 2017, which is when the Final Order is expected to be issued by the PUCT. Regardless of when the Final Order is issued by the PUCT, the new rates are expected to relate back to consumption on or after July 18, 2017.

Energy Efficiency Cost Recovery Factor. On May 1, 2017, the Company filed its annual application, which was assigned PUCT Docket No. 47125, to establish its energy efficiency cost recovery factor for 2018. In addition to projected energy efficiency costs for 2018 and a true-up to prior year actual costs, the Company requested approval of a $1.0 million bonus for the 2016 energy efficiency program results in accordance with PUCT rules. On August 2, 2017, the Company filed an agreed motion to request suspension of the schedule in the case to allow the parties to pursue settlement. The hearing on the merits of this case was scheduled to begin on August 15, 2017, but was subsequently continued pending possible settlement. A hearing on the merits is now scheduled for December 7, 2017, following unsuccessful attempts to negotiate a settlement of the case. The Company cannot predict the outcome of this matter at this time.

Fuel and Purchased Power Costs. On November 30, 2016, the Company filed a request, which was assigned PUCT Docket No. 46610, to increase its fixed fuel factor by approximately 28.8% to reflect increased fuel expenses primarily related to an increase in the price of natural gas used to generate power. The increase in the fixed fuel factor was effective on an interim basis January 1, 2017 and approved by the PUCT on January 10, 2017. As of September 30, 2017, the Company had over-recovered fuel costs in the amount of $1.1 million for the Texas jurisdiction. On October 13, 2017, the Company filed a request to decrease the Texas fixed fuel factor by approximately 19% to reflect decreased fuel expenses primarily related to a decrease in the price of natural gas used to generate power. The decrease in the Texas fixed fuel factor became effective beginning with the November 2017 billing month and will continue thereafter until changed by the PUCT.

Fuel Reconciliation Proceeding. On September 27, 2016, the Company filed an application with the PUCT, designated as PUCT Docket No. 46308, to reconcile $436.6 million of Texas fuel and purchased power expenses incurred during the period of April 1, 2013 through March 31, 2016. On June 29, 2017, the PUCT approved a settlement in this proceeding. The settlement provides for the reconciliation of fuel and purchased power costs incurred from April 1, 2013 through March 31, 2016. Additionally, the settlement modifies and tightens the Palo Verde Nuclear Generating Station ("Palo Verde") performance rewards measurement bands beginning with the 2018 performance period. The financial results for the nine months ended September 30, 2017 include a $5.0 million, pre-tax increase to income reflecting the settlement of the Texas fuel reconciliation proceeding. This amount includes Palo Verde performance rewards associated with the 2013 to 2015 performance periods net of disallowed fuel and purchased power costs as approved in the settlement. As of September 30, 2017, Texas jurisdictional fuel and purchased power costs subject to a future Texas fuel reconciliation are approximately $223.3 million.

Community Solar. On June 8, 2015, the Company filed a petition with the PUCT to initiate a community solar program that includes the construction and ownership of a 3 MW solar photovoltaic system located at the Company's Montana Power Station. Participation will be on a voluntary basis, and customers will contract for a set capacity (kW) amount and receive all energy produced. This case was assigned PUCT Docket No. 44800. The Company filed a settlement agreement among all parties on July 1, 2016 approving the program, and the PUCT approved the settlement agreement and program on September 1, 2016. On April 19, 2017, the Company announced that the entire 3 MW program was fully subscribed by approximately 1,500 Texas customers. The Community Solar facility began commercial operation on May 31, 2017.

Four Corners Generating Station. On February 17, 2015, the Company and APS entered into an asset purchase agreement ("Purchase and Sale Agreement") providing for the sale of the Company's interest in Four Corners to APS. The sale of the Company's interest in Four Corners closed on July 6, 2016.

On June 10, 2015, the Company filed an application in Texas requesting reasonableness and public interest findings and certain rate and accounting findings related to the Purchase and Sale Agreement. This case was assigned PUCT Docket No. 44805. Subsequent to the filing of the application, the case was subject to numerous procedural matters, including a March 23, 2016 order in which the PUCT determined not to dismiss the reasonableness and public interest issues in this docket but to consider the requested rate and accounting findings, including coal mine reclamation costs, in a rate case proceeding. On September 1, 2016, a motion by parties in the proceeding to suspend the procedural schedule in order to pursue settlement was approved. On March 3, 2017, the Company filed a Joint Motion to Implement Stipulation and Agreement ("Stipulation and Agreement"), and PUCT Staff filed its recommendation that the Company’s disposition of its interest in Four Corners was reasonable and consistent with the public interest. Additionally, the signatories of the Stipulation and Agreement agreed to support the recovery of the Company's Four Corners decommissioning costs in the 2017 Texas retail rate case. A final order approving the Stipulation and Agreement was adopted by the PUCT on March 30, 2017.

Other Required Approvals. The Company has obtained other required approvals for tariffs and approvals required by the Public Utility Regulatory Act ("PURA") and the PUCT.

New Mexico Regulatory Matters

2015 New Mexico Rate Case Filing. On May 11, 2015, the Company filed a request with the NMPRC, in Case No. 15-00127-UT, for an annual increase in non-fuel base rates. On June 8, 2016, the NMPRC issued its final order in Case No. 15-00127-UT ("NMPRC Final Order"), which approved an annual increase in non-fuel base rates of approximately $0.6 million, an increase of approximately $0.5 million in other service fees and a decrease in the Company's allowed return on equity to 9.48%. The NMPRC Final Order concluded that all of the Company's new plant in service was reasonable and necessary and therefore would be recoverable in rates. The Company's rates were approved by the NMPRC effective July 1, 2016 and implemented at such time.

Future New Mexico Rate Case Filing. NMPRC Case No. 15-00109-UT required the Company to make a rate filing in New Mexico in the second quarter of 2017 using a historical test year ended December 31, 2016. On March 24, 2017, the Company, NMPRC Utility Division Staff and the New Mexico Attorney General filed a Joint Motion to Modify Filing Date Stated in Final Order requesting that the rate filing date be changed to no later than July 31, 2019, using the appropriate historical test year period. The joint request was approved by the NMPRC on April 12, 2017.

Fuel and Purchased Power Costs. Historically, fuel and purchased power costs were recovered through base rates and a Fuel and Purchased Power Cost Adjustment Clause ("FPPCAC") that accounts for changes in the costs of fuel relative to the amount included in base rates. Effective July 1, 2016, with the implementation of the final order in Case No. 15-00127-UT, fuel and purchased power costs are no longer recovered through base rates but are recovered through the FPPCAC. The Company's request to reconcile its fuel and purchased power costs for the period January 1, 2013 through December 31, 2014 was approved in Case No. 15-00127-UT. New Mexico jurisdictional costs subject to prudence review are costs from January 1, 2015 through September 30, 2017 that total approximately $160.9 million. At September 30, 2017, the Company had a net fuel over-recovery balance of approximately $1.9 million in New Mexico.

5 MW Holloman Air Force Base ("HAFB") Facility Certificate of Convenience and Necessity ("CCN"). On October 7, 2015, in NMPRC Case No. 15-00185-UT, the NMPRC issued a final order approving a CCN for a 5 MW solar power generation facility located on HAFB in the Company's service territory in New Mexico. The Company and HAFB negotiated a retail contract, which includes power sales agreement for the facility, to replace the existing load retention agreement which was approved by final order issued October 5, 2016 in NMPRC Case No. 16-00224-UT. Construction of the solar generation facility is expected to be completed in the third quarter of 2018.

New Mexico Efficient Use of Energy Recovery Factor. On July 1, 2016, the Company filed its annual application requesting approval of its 2017 Energy Efficiency and Load Management Plan and to establish energy efficiency cost recovery factors for 2017. In addition to projected energy efficiency costs for 2017, the Company requested approval of a $0.4 million incentive for 2017 energy efficiency programs in accordance with NMPRC rules. This case was assigned Case No. 16-00185-UT. On February 22, 2017, the NMPRC issued a Final Order approving the Company’s 2017 Energy Efficiency and Load Management Plan and authorizing recovery in 2017 of a base incentive of $0.4 million. The Company’s energy efficiency cost recovery factors were approved and effective in customer bills beginning on March 1, 2017.

On July 1, 2016, the Company filed its 2015 Annual Report for Energy Efficiency Programs, which included an incentive for verified 2015 program performance of $0.3 million, which was approved in Case No. 13-00176-UT. The Company recorded the $0.3 million approved incentive in operating revenues in the first quarter of 2017. In addition, on June 30, 2017, the Company filed its 2016 Annual Report for Energy Efficiency Programs, which included an incentive for verified 2016 program performance of $0.4 million which was approved in Case No. 13-00176-UT. The Company recorded the $0.4 million approved incentive in operating revenues in the third quarter of 2017.

Revolving Credit Facility, Issuance of Long-Term Debt, and Securities Financing. On October 7, 2015, the Company received approval from the NMPRC to guarantee the issuance of up to $65.0 million of long-term debt by the Rio Grande Resources Trust ("RGRT") to finance future purchases of nuclear fuel and to refinance existing nuclear fuel debt obligations, for which the approval remains effective. On October 4, 2017, the Company received additional approval in NMPRC Case No. 17-00217-UT to amend and extend its Revolving Credit Facility ("RCF"), issue up to $350.0 million in long-term debt and to redeem and refinance the $63.5 million 2009 Series A 7.25% Pollution Control Bonds and the $37.1 million 2009 Series B 7.25% Pollution Control Bonds, which are subject to optional redemption in 2019. The NMPRC approval to issue $350.0 million in long-term debt supersedes prior approval.

Other Required Approvals. The Company has obtained other required approvals for other tariffs and other approvals as required by the NMPRC.

Federal Regulatory Matters

Revolving Credit Facility, Issuance of Long-Term Debt, Securities Financing, and Guarantee of Debt. On October 31, 2017, the FERC issued an order in Docket No. ES17-54-000 approving the Company's filing to (i) amend and extend the RCF; (ii) issue up to $350.0 million in long-term debt; (iii) guarantee the issuance of up to $65.0 million of long-term debt by the RGRT; and (iv) redeem and refinance the $63.5 million 2009 Series A 7.25% Pollution Control Bonds and the $37.1 million 2009 Series B 7.25% Pollution Control Bonds, which are subject to optional redemption in 2019. The order also approves the Company's request to continue to utilize the Company's existing RCF with the ability to amend and extend at a future date. The authorization is effective from November 15, 2017 through November 14, 2019 and supersedes prior approvals.

The Company has obtained required approvals for rates, tariffs and other approvals as required by the FERC.

C. Palo Verde

Decommissioning. Pursuant to the Arizona Nuclear Power Project ("ANPP") Participation Agreement and federal law, the Company funds its share of the estimated costs to decommission Palo Verde Units 1, 2 and 3, including the Common Facilities, through the term of their respective operating licenses and is required to maintain a minimum accumulation and funding level in its decommissioning account at the end of each annual reporting period during the life of the plant. The Company has established external trusts with an independent trustee, which enables the Company to record a current deduction for federal income tax purposes for most of the amounts funded. At September 30, 2017, the Company’s decommissioning trust fund had a balance of $278.1 million, which is above its minimum funding level. The Company monitors the status of its decommissioning funds and adjusts its deposits, if necessary.

Decommissioning costs are estimated every three years based upon engineering cost studies performed by outside engineers retained by APS. In April 2017, the Palo Verde Participants approved the 2016 Palo Verde decommissioning study ("2016 Study"). The 2016 Study estimated that the Company must fund approximately $432.8 million (stated in 2016 dollars) to cover its share of decommissioning costs which was an increase in decommissioning costs of $52.1 million (stated in 2016 dollars) from the 2013 Palo Verde decommissioning study. The effect of this change increased the ARO by $3.5 million, which was recorded during the second quarter of 2017, and will increase annual expenses starting in April 2017. Although the 2016 Study was based on the latest available information, there can be no assurance that decommissioning cost estimates will not increase in the future or that regulatory requirements will not change. In addition, until a new low-level radioactive waste repository opens and operates for a number of years, estimates of the cost to dispose of low-level radioactive waste are subject to uncertainty. As provided in the ANPP Participation Agreement, the participants are required to conduct a new decommissioning study every three years. While the Company attempts to seek amounts in rates to meet its decommissioning obligations, it is not able to conclude given the evidence available to it now that it is probable these costs will continue to be collected over the period until decommissioning begins in 2044. The Company is ultimately responsible for these costs and its future actions combined with future decisions from regulators will determine how successful the Company is in this effort.

Spent Nuclear Fuel and Waste Disposal. Pursuant to the Nuclear Waste Policy Act of 1982, as amended in 1987 ("NWPA"), the U.S. Department of Energy ("DOE") is legally obligated to accept and dispose of all spent nuclear fuel and other high-level radioactive waste generated by all domestic power reactors by 1998. The DOE's obligations are reflected in a contract for Disposal of Spent Nuclear Fuel and/or High-Level Radioactive Waste ("Standard Contract") with each nuclear power plant. The DOE failed to begin accepting spent nuclear fuel by 1998.

On November 2, 2015, APS, acting on behalf of itself and the Palo Verde Participants, submitted to the government a request for reimbursement of spent nuclear fuel storage costs for $12.0 million for the period July 1, 2014 through June 30, 2015. In February 2016, the DOE notified APS of the approval of the claim. In March 2016, the Company received its share of this claim of approximately $1.9 million, of which $1.6 million was credited to customers through the applicable fuel adjustment clauses.

On October 31, 2016, APS filed an $11.3 million claim for the period July 1, 2015 through June 30, 2016. On February 1, 2017, the DOE notified APS of the approval of the claim. On March 10, 2017, the Company received approximately $1.8 million, representing its share of the award, of which $1.4 million was credited to customers through the applicable fuel adjustment clauses.

On October 31, 2017, APS filed a $9.0 million claim for the period July 1, 2016 through June 30, 2017. The Company's share of this claim is approximately $1.4 million. Any reimbursement is anticipated to be received in the first quarter of 2018, and the majority will be credited to customers through the applicable fuel adjustment clauses.

Palo Verde Operations and Maintenance Expense. Included in other operations and maintenance expenses are expenses associated with Palo Verde as follows (in thousands):

	2017	2016
Three months ended September 30,	$ 20,441	$ 21,123
Nine months ended September 30,	67,980	67,514

D. Common Stock

Dividends. The Company paid $13.6 million and $12.5 million in quarterly cash dividends during the three months ended September 30, 2017 and 2016, respectively. The Company paid a total of $39.7 million and $37.0 million in quarterly cash dividends during the nine months ended September 30, 2017 and 2016, respectively. On October 26, 2017, the Board of Directors declared a quarterly cash dividend of $0.335 per share payable on December 29, 2017 to shareholders of record as of the close of business on December 15, 2017.

E. Income Taxes

The Company files income tax returns in the United States ("U.S.") federal jurisdiction and in the states of Texas, New Mexico and Arizona. The Company is no longer subject to tax examination by the taxing authorities in the federal, Arizona and New Mexico jurisdictions for years prior to 2012. In August 2017, the Company reached an agreement with the Texas Comptroller of Public Accounts and settled audits in Texas for tax years 2007 through 2011.

For the three months ended September 30, 2017 and 2016, the Company's regulatory-basis effective tax rate was 36.0% and 36.8%, respectively. For the nine months ended September 30, 2017 and 2016, the Company's regulatory-basis effective tax rate was 35.4% and 35.8%, respectively. The Company's regulatory-basis effective tax rate for all periods differs from the federal statutory tax rate of 35.0% primarily due to capital gains in the decommissioning trusts which are taxed at the federal rate of 20.0%, the allowance for equity funds used during construction ("AEFUDC"), state taxes, and the issue discussed in the following paragraph.

In the third quarter of 2016, the Company changed its accounting for state income taxes from the flow-through method to the normalization method in accordance with the PUCT's and NMPRC's most recent final orders. Under the flow-through method, the Company previously recorded deferred state income taxes and regulatory liabilities and assets offsetting such deferred state income taxes at the expected cash flow to be reflected in future rates. Upon implementation of normalization, the Company began amortizing the net regulatory asset for deferred state income taxes to deferred income tax expense over a 15 year period as allowed by the regulators. In the third quarter of 2016, the Company began recording deferred state income tax expense as required by normalization, retroactive to January 2016 as provided in the final orders. The impact of the change was additional deferred income tax expense of $0.1 million and $1.4 million for the three and nine months ended September 30, 2017, respectively.

F. Commitments, Contingencies and Uncertainties

For a full discussion of commitments and contingencies, see Note J of the Notes to Regulatory-Basis Financial Statements in the 2016 FERC Form No. 1. In addition, see Notes B and C above and Notes C and E of the Notes to Regulatory-Basis Financial Statements in the 2016 FERC Form No. 1 regarding matters related to wholesale power sales contracts and transmission contracts subject to regulation and Palo Verde, including decommissioning, spent nuclear fuel and waste disposal, and liability and insurance matters.

Power Purchase and Sale Contracts

To supplement its own generation and operating reserve requirements, and to meet required renewable portfolio standards, the Company engages in power purchase arrangements which may vary in duration and amount based on an evaluation of the Company's resource needs, the economics of the transactions, and specific renewable portfolio requirements. For a full discussion of power purchase and sale contracts that the Company has entered into with various counterparties, see Note J of the Notes to Regulatory-Basis Financial Statements in the 2016 FERC Form No. 1.

Environmental Matters

General. The Company is subject to extensive laws, regulations and permit requirements with respect to air and greenhouse gas ("GHG") emissions, water discharges, soil and water quality, waste management and disposal, natural resources and other environmental matters by federal, state, regional, tribal and local authorities. Failure to comply with such laws, regulations and requirements can result in actions by authorities or other third parties that might seek to impose on the Company administrative, civil and/or criminal penalties or other sanctions. In addition, releases of pollutants or contaminants into the environment can result in costly cleanup liabilities. These laws, regulations and requirements are subject to change through modification or reinterpretation, or the introduction of new laws and regulations and, as a result, the Company may face additional capital and operating costs to comply.

On March 28, 2017 the Company entered into a Compliance Agreement ("Compliance Agreement") with the Texas Commission on Environmental Quality under the Texas Environmental, Health and Safety Audit Privilege Act to address certain water and waste compliance issues associated with the integrity of the synthetic liner of the evaporation pond at the Company’s Newman Generating Station. The Company's action plan was initiated in the second quarter of 2017 and will continue to be implemented over the three year period of the Compliance Agreement. The Company is currently evaluating the cost of performing its obligations under the Compliance Agreement.

G. Litigation

The Company is involved in various legal, environmental, tax and regulatory proceedings before various courts, regulatory commissions and governmental agencies regarding matters arising in the ordinary course of business. In many of these matters, the Company has excess casualty liability insurance that covers the various claims, actions and complaints. The Company regularly analyzes current information and, as necessary, makes provisions in its regulatory-basis financial statements for probable liabilities for the eventual disposition of these matters. While the outcome of these matters cannot be predicted with certainty, based upon a review of the matters and applicable insurance coverage, the Company believes that none of these matters will have a material adverse effect on the financial position, results of operations or cash flows of the Company. The Company expenses legal costs, including expenses related to loss contingencies, as they are incurred.

See Notes B and F above and Notes C and K of the Notes to Regulatory-Basis Financial Statements in the 2016 FERC Form No. 1 for discussion of the effects of government legislation and regulation on the Company.

H. Employee Benefits

Retirement Plans

The net periodic benefit cost recognized for the three and nine months ended September 30, 2017 and 2016 is made up of the components listed below as determined using the projected unit credit actuarial cost method (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Components of net periodic benefit cost:				
Service cost	$ 2,129	$ 2,191	$ 6,388	$ 6,001
Interest cost	3,264	3,250	9,794	9,780
Expected return on plan assets	(4,797)	(4,734)	(14,392)	(14,159)
Amortization of:				
Net loss	2,114	1,730	6,341	5,505
Prior service benefit	(877)	(875)	(2,630)	(2,630)
Net periodic benefit cost	$ 1,833	$ 1,562	$ 5,501	$ 4,497

During the nine months ended September 30, 2017, the Company contributed $9.4 million of its projected $10.0 million 2017 annual contribution to its retirement plans.

Other Postretirement Benefits

The net periodic benefit recognized for the three and nine months ended September 30, 2017 and 2016 is made up of the components listed below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Components of net periodic benefit:				
Service cost	$ 559	$ 749	$ 1,677	$ 2,179
Interest cost	680	871	2,042	2,616
Expected return on plan assets	(477)	(452)	(1,430)	(1,372)
Amortization of:				
Prior service benefit	(1,537)	(788)	(4,613)	(2,363)
Net gain	(419)	(643)	(1,258)	(1,973)
Net periodic benefit	$ (1,194)	$ (263)	$ (3,582)	$ (913)

During the nine months ended September 30, 2017, the Company contributed $0.3 million of its projected $0.5 million 2017 annual contribution to its other postretirement benefits plan.

I. Financial Instruments and Investments

The FASB guidance requires the Company to disclose estimated fair values for its financial instruments. The Company has determined that cash and temporary investments, investment in debt securities, accounts receivable, decommissioning trust funds, long-term debt, financial and capital lease obligations, short-term borrowings under the RCF, accounts payable and customer deposits meet the definition of financial instruments. The carrying amounts of cash and temporary investments, accounts receivable, accounts payable and customer deposits approximate fair value because of the short maturity of these items. Investments in debt securities and decommissioning trust funds are carried at estimated fair value.

Long-Term Debt, Financing Obligations, Capital Lease Obligations, and Short-Term Borrowings Under the RCF. The fair values of the Company's long-term debt, financial obligations, capital lease obligations, including the current portion thereof, and short-term borrowings under the RCF are based on estimated market prices for similar issues and are presented below (in thousands):

	September 30, 2017		December 31, 2016	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Pollution Control Bonds (1)	$ 159,835	$ 169,720	$ 193,135	$ 206,818
Senior Notes	1,003,191	1,178,007	1,003,195	1,112,285
RGRT Senior Notes (2)	45,000	47,655	95,000	98,855
RCF (2)	168,191	168,191	83,275	83,275
Total	$ 1,376,217	$ 1,563,573	$ 1,374,605	$ 1,501,233

(1) In September 2017, the $33.3 million 2012 Series A 1.875% Pollution Control Bonds which were subject to mandatory tender for purchase were redeemed and retired utilizing funds borrowed under the RCF.

(2) Nuclear fuel capital lease obligation, as of September 30, 2017 and December 31, 2016, is funded through $45 million and $95 million RGRT Senior Notes and $91.2 million and $39.3 million, respectively, in borrowings outstanding under the RCF. In August 2017, RGRT's $50.0 million Series B 4.47% Senior Notes matured and were paid utilizing funds borrowed under the RCF. As of September 30, 2017, $77.0 million was outstanding under the RCF for working capital or general corporate purposes. As of December 31, 2016, $44.0 million was outstanding under the RCF for working capital or general corporate purposes. The interest rate on the Company's borrowings under the RCF is reset throughout the quarter reflecting current market rates. Consequently, the carrying value approximates fair value.

Marketable Securities. The Company's marketable securities, included in decommissioning trust funds in the regulatory-basis balance sheet, are reported at fair value which was $278.1 million and $255.7 million at September 30, 2017 and December 31, 2016, respectively. These securities are classified as available for sale and recorded at their estimated fair value using the FASB guidance for certain investments in debt and equity securities. The reported fair values include gross unrealized losses on marketable securities whose impairment the Company has deemed to be temporary. The tables below present the gross unrealized losses and the fair value of these securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position (in thousands):

	September 30, 2017					
	Less than 12 Months		12 Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Description of Securities (1)**:**						
Federal Agency Mortgage Backed Securities	$ 5,089	$ (28)	$ 7,966	$ (121)	$ 13,055	$ (149)
U.S. Government Bonds	33,841	(567)	11,059	(744)	44,900	(1,311)
Municipal Debt Obligations	3,683	(60)	9,959	(648)	13,642	(708)
Corporate Debt Obligations	9,931	(83)	2,915	(264)	12,846	(347)
Total Debt Securities	52,544	(738)	31,899	(1,777)	84,443	(2,515)
Common Stock	986	(111)	—	—	986	(111)
Total Temporarily Impaired Securities	$ 53,530	$ (849)	$ 31,899	$ (1,777)	$ 85,429	$ (2,626)

(1) Includes 144 securities.

	December 31, 2016					
	Less than 12 Months		12 Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Description of Securities (2):						
Federal Agency Mortgage Backed Securities	$ 11,582	$ (239)	$ 436	$ (22)	$ 12,018	$ (261)
U.S. Government Bonds	31,655	(762)	17,976	(835)	49,631	(1,597)
Municipal Debt Obligations	9,596	(394)	4,067	(372)	13,663	(766)
Corporate Debt Obligations	7,971	(172)	2,092	(172)	10,063	(344)
Total Debt Securities	60,804	(1,567)	24,571	(1,401)	85,375	(2,968)
Common Stock	2,760	(167)	—	—	2,760	(167)
Institutional Equity Funds-International Equity	22,945	(110)	—	—	22,945	(110)
Total Temporarily Impaired Securities	$ 86,509	$ (1,844)	$ 24,571	$ (1,401)	$ 111,080	$ (3,245)

(2) Includes 152 securities.

The Company monitors the length of time specific securities trade below their cost basis along with the amount and percentage of the unrealized loss in determining if a decline in fair value of marketable securities below recorded cost is considered to be other than temporary. The Company recognizes impairment losses on certain of its securities deemed to be other than temporary. In accordance with the FASB guidance, these impairment losses are recognized in net income, and a lower cost basis is established for these securities. In addition, the Company will research the future prospects of individual securities as necessary. The Company does not anticipate expending monies held in trust before 2044 or a later period when decommissioning of Palo Verde begins.

For the three and nine months ended September 30, 2017 and 2016, the Company recognized other than temporary impairment losses on its available-for-sale securities as follow (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Unrealized holding losses included in pre-tax income	$ —	$ (196)	$ —	$ (352)

The reported securities also include gross unrealized gains on marketable securities which have not been recognized in the Company's net income. The table below presents the unrecognized gross unrealized gains and the fair value of these securities, aggregated by investment category (in thousands):

	September 30, 2017		December 31, 2016	
	Fair Value	Unrealized Gains	Fair Value	Unrealized Gains
Description of Securities:				
Federal Agency Mortgage Backed Securities	$ 8,662	$ 267	$ 7,430	$ 319
U.S. Government Bonds	13,844	309	12,237	138
Municipal Debt Obligations	4,206	139	2,481	144
Corporate Debt Obligations	19,037	990	12,350	655
Total Debt Securities	45,749	1,705	34,498	1,256
Common Stock	52,809	31,343	61,884	34,066
Equity Mutual Funds	59,971	9,201	42,244	3,345
Institutional Funds – International Equity	27,734	4,798	—	—
Cash and Cash Equivalents	6,427	—	6,002	—
Total	$ 192,690	$ 47,047	$ 144,628	$ 38,667

The Company's marketable securities include investments in mortgage backed securities, municipal, corporate and federal debt obligations. The contractual year for maturity of these available-for-sale securities as of September 30, 2017 is as follows (in thousands):

	Total	2017	2018 through 2021	2022 through 2026	2027 and Beyond
Federal Agency Mortgage Backed Securities	$ 21,717	$ —	$ 5	$ 316	$ 21,396
U.S. Government Bonds	58,744	3,343	24,151	15,959	15,291
Municipal Debt Obligations	17,848	487	6,160	9,938	1,263
Corporate Debt Obligations	31,883	—	13,172	8,997	9,714

The Company's marketable securities in its decommissioning trust funds are sold from time to time and the Company uses the specific identification basis to determine the amount to reclassify from accumulated other comprehensive income into net income. The proceeds from the sale of these securities during the three and nine months ended September 30, 2017 and 2016 and the related effects on pre-tax income are as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Proceeds from sales or maturities of available-for-sale securities	$ 13,967	$ 19,453	$ 76,498	$ 60,165
Gross realized gains included in pre-tax income	$ 1,797	$ 2,446	$ 9,706	$ 6,687
Gross realized losses included in pre-tax income	(32)	(178)	(584)	(765)
Gross unrealized losses included in pre-tax income	—	(196)	—	(352)
Net gains included in pre-tax income	$ 1,765	$ 2,072	$ 9,122	$ 5,570
Net unrealized holding gains included in accumulated other comprehensive income	$ 5,945	$ 4,313	$ 18,124	$ 9,293
Net gains reclassified from accumulated other comprehensive income	(1,765)	(2,072)	(9,122)	(5,570)
Net gains in other comprehensive income	$ 4,180	$ 2,241	$ 9,002	$ 3,723

Fair Value Measurements. The FASB guidance requires the Company to provide expanded quantitative disclosures for financial assets and liabilities recorded on the regulatory-basis balance sheet at fair value. Financial assets carried at fair value include the Company's decommissioning trust investments and investments in debt securities which are included in Other Special Funds and Other Investments, respectively, in the regulatory-basis balance sheet. The Company has no liabilities that are measured at fair value on a recurring basis. The FASB guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 – Observable inputs that reflect quoted market prices for identical assets and liabilities in active markets. Financial assets utilizing Level 1 inputs include the nuclear decommissioning trust investments in active exchange-traded equity securities, mutual funds and U.S. Treasury securities that are in a highly liquid and active market. The Institutional Funds are valued using the Net Asset Value ("NAV") provided by the administrator of the fund. The NAV price is quoted on a restrictive market although the underlying investments are traded on active markets. The NAV used for determining the fair value of the Institutional Funds-International Equity investments have readily determinable fair values. Accordingly, such fund values are categorized as Level 1.

- Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability either directly or indirectly. Financial assets utilizing Level 2 inputs include the nuclear decommissioning trust investments in fixed income securities. The fair value of these financial instruments is based on evaluated prices that reflect observable market information, such as actual trade information of similar securities, adjusted for observable differences.

- Level 3 – Unobservable inputs using data that is not corroborated by market data and primarily based on internal Company analysis using models and various other analysis. Financial assets utilizing Level 3 inputs are the Company's investment in debt securities.

The securities in the Company's decommissioning trust funds are valued using prices and other relevant information generated by market transactions involving identical or comparable securities. The FASB guidance identifies this valuation technique as the "market approach" with observable inputs. The Company analyzes available-for-sale securities to determine if losses are other than temporary.

The fair value of the Company's decommissioning trust funds and investments in debt securities at September 30, 2017 and December 31, 2016, and the level within the three levels of the fair value hierarchy defined by the FASB guidance are presented in the table below (in thousands):

Description of Securities	Fair Value as of September 30, 2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Trading Securities:				
Investments in Debt Securities	$ 1,742	$ —	$ —	$ 1,742
Available for Sale:				
Federal Agency Mortgage Backed Securities	$ 21,717	$ —	$ 21,717	$ —
U.S. Government Bonds	58,744	58,744	—	—
Municipal Debt Obligations	17,848	—	17,848	—
Corporate Debt Obligations	31,883	—	31,883	—
Subtotal, Debt Securities	130,192	58,744	71,448	—
Common Stock	53,795	53,795	—	—
Equity Mutual Funds	59,971	59,971	—	—
Institutional Funds-International Equity	27,734	27,734	—	—
Cash and Cash Equivalents	6,427	6,427	—	—
Total Available for Sale	$ 278,119	$ 206,671	$ 71,448	$ —

Description of Securities	Fair Value as of December 31, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Trading Securities:				
Investments in Debt Securities	$ 1,421	$ —	$ —	$ 1,421
Available for Sale:				
Federal Agency Mortgage Backed Securities	$ 19,448	$ —	$ 19,448	$ —
U.S. Government Bonds	61,868	61,868	—	—
Municipal Debt Obligations	16,144	—	16,144	—
Corporate Debt Obligations	22,413	—	22,413	—
Subtotal, Debt Securities	119,873	61,868	58,005	—
Common Stock	64,644	64,644	—	—
Equity Mutual Funds	42,244	42,244	—	—
Institutional Funds-International Equity	22,945	22,945	—	—
Cash and Cash Equivalents	6,002	6,002	—	—
Total Available for Sale	$ 255,708	$ 197,703	$ 58,005	$ —

There were no transfers in or out of Level 1 and Level 2 fair value measurements categories due to changes in observable inputs during the three and nine month periods ended September 30, 2017 and 2016. There were no purchases, sales, issuances and settlements related to the assets in the Level 3 fair value measurement category during the three and nine months ended September 30, 2017 and 2016.

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q3

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.
4. Report data on a year-to-date basis.

Line No.	Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year	27,764,941			(29,868,700)
2	Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income	(6,206,182)			(1,422,220)
3	Preceding Quarter/Year to Date Changes in Fair Value	6,903,785			7,363,039
4	Total (lines 2 and 3)	697,603			5,940,819
5	Balance of Account 219 at End of Preceding Quarter/Year	28,462,544			(23,927,881)
6	Balance of Account 219 at Beginning of Current Year	28,462,544			(23,927,881)
7	Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income	(7,302,951)			(1,444,431)
8	Current Quarter/Year to Date Changes in Fair Value	14,491,106			
9	Total (lines 7 and 8)	7,188,155			(1,444,431)
10	Balance of Account 219 at End of Current Quarter/Year	35,650,699			(25,372,312)

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Insert Footnote at Line 1 to specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 117, Line 78) (i)	Total Comprehensive Income (j)
1		(11,810,046)	(13,913,805)	[redacted]	
2		159,368	(7,469,034)		
3			14,266,824		
4		159,368	6,797,790	97,956,132	104,753,922
5		(11,650,678)	(7,116,015)	[redacted]	
6		(11,650,678)	(7,116,015)		
7		222,148	(8,525,234)		
8			14,491,106		
9		222,148	5,965,872	91,879,090	97,844,962
10		(11,428,530)	(1,150,143)	[redacted]	

Schedule Page: 122(a)(b) Line No.: 1 Column: b

The Company's decommissioning trust funds include marketable securities which are reported at fair value. These securities are classified as available for sale under FASB guidance for certain investments in debt and equity securites and are valued using prices and other relevant information generated by market transactions involving identical or comparable securities.

Schedule Page: 122(a)(b) Line No.: 1 Column: e

In accordance with the FERC Guidance Letter related to FASB guidance for employers' accounting for defined benefit pension and other postretirement plans, this amount includes reclassification adjustments of accumulated other comprehensive income as a result of gains or losses, prior service costs or credits and transition assets or obligations related to pension and other postretirement benefit plans.

Schedule Page: 122(a)(b) Line No.: 1 Column: g

During the first quarter of 2005, the Company entered into treasury rate lock agreements to hedge against potential movements in the treasury reference interest rate pending the issuance of 6% Senior Notes. These treasury rate locks were terminated on May 11, 2005. The treasury rate lock agreements met the criteria for hedge accounting and were designated as a cash flow hedge. In accordance with cash flow hedge accounting, the Company recorded the loss associated with the fair value of the cash flow hedge of approximately $14.5 million, net of tax, as a component of accumulated other comprehensive income. In May 2005, the Company began to recognize in earnings (as additional interest expense) the accumulated other comprehensive income associated with the cash flow hedge. During the next twelve month period, approximately $0.7 million pre-tax of this accumulated other comprehensive income item will be reclassified to interest expense.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION. AMORTIZATION AND DEPLETION

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	4,028,171,232	4,028,171,232
4	Property Under Capital Leases		
5	Plant Purchased or Sold		
6	Completed Construction not Classified	831,134,244	831,134,244
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	4,859,305,476	4,859,305,476
9	Leased to Others		
10	Held for Future Use		
11	Construction Work in Progress	154,806,089	154,806,089
12	Acquisition Adjustments		
13	Total Utility Plant (8 thru 12)	5,014,111,565	5,014,111,565
14	Accum Prov for Depr, Amort, & Depl	2,226,419,193	2,226,419,193
15	Net Utility Plant (13 less 14)	2,787,692,372	2,787,692,372
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	2,166,315,520	2,166,315,520
19	Amort & Depl of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant	60,103,673	60,103,673
22	Total In Service (18 thru 21)	2,226,419,193	2,226,419,193
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	Total Leased to Others (24 & 25)		
27	Held for Future Use		
28	Depreciation		
29	Amortization		
30	Total Held for Future Use (28 & 29)		
31	Abandonment of Leases (Natural Gas)		
32	Amort of Plant Acquisition Adj		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	2,226,419,193	2,226,419,193

ELECTRIC PLANT IN SERVICE AND ACCUMULATED PROVISION FOR DEPRECIATION BY FUNCTION

1. Report below the original cost of plant in service by function. In addition to Account 101, include Account 102, and Account 106. Report in column (b) the original cost of plant in service and in column(c) the accumulated provision for depreciation and amortization by function.

Line No.	Item (a)	Plant in Service Balance at End of Quarter (b)	Accumulated Depreciation and Amortization Balance at End of Quarter (c)
1	Intangible Plant	154,121,829	60,103,673
2	Steam Production Plant	497,652,300	243,845,887
3	Nuclear Production Plant	1,822,522,332	1,235,051,348
4	Hydraulic Production - Conventional		
5	Hydraulic Production - Pumped Storage		
6	Other Production	503,010,640	38,381,868
7	Transmission	485,394,059	222,511,507
8	Distribution	1,156,986,841	357,641,309
9	Regional Transmission and Market Operation		
10	General	239,617,475	68,883,601
11	TOTAL (Total of lines 1 through 10)	4,859,305,476	2,226,419,193

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	**Transmission Studies**				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	**Generation Studies**				
22	LA450S PV Project SIS	413	186-000	(413)	186-000
23	Nextera 200 MW PV SIS	8,849	186-000	(8,849)	186-000
24	Verde Substation 20 MW PV SIS	34,935	186-000	(34,935)	186-000
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS Written off During the Quarter /Year Account Charged (d)	CREDITS Written off During the Period Amount (e)	Balance at end of Current Quarter/Year (f)
1	Taxes - Regulatory Assets	96,977,433	409,241	various	1,140,453	96,246,221
2						
3	Rio Grande Resources Trust:					
4	Nuclear Fuel Postload Daily Finance Charge	4,001,856	602,956	518	798,885	3,805,927
5						
6	Coal Reclamation	5,057,076		501/407	166,267	4,890,809
7						
8	Four Corners Decommissioning	6,932,828				6,932,828
9						
10	Net Undercollection of Fuel Revenues:					
11	Texas	8,447,306	13,940,341	440's	22,387,647	
12	FERC	67,862	21,541	447	89,403	
13						
14	Texas:					
15	2015 Texas Rate Case Costs	1,907,091		928	381,417	1,525,674
16	2017 Texas Rate Case Costs	1,744,309	1,460,953			3,205,262
17						
18	Texas Relate Back Surcharge	2,666,214	186,673	131	2,852,887	
19						
20	Texas Military Base Discount and Recovery	72,729	1,009,436	142	841,941	240,224
21						
22	New Mexico Renewable Energy					
23	Credits and Related Costs	6,380,619	29	407.3	278,760	6,101,888
24						
25	New Mexico:					
26	2010 FPPCAC Audit	361,887		407.3	18,093	343,794
27	2015 New Mexico Rate Case Costs	858,868		928	107,358	751,510
28	Demand Response Program		417,819			417,819
29						
30	Palo Verde Deferred Depreciation	4,339,309		407.3	38,046	4,301,263
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44	**TOTAL :**	139,815,387	18,048,989		29,101,157	128,763,219

Schedule Page: 232 Line No.: 1 Column: f

Amortization period ranges from 5 to 40 years.

Schedule Page: 232 Line No.: 4 Column: a

Amortization is based on a pro rata relationship with nuclear fuel amortization.

Schedule Page: 232 Line No.: 6 Column: a

Final coal mine reclamation represents the cost to reclaim the land disturbed during the coal mining that was not previously reclaimed while the mine was in operation.

On February 17, 2015, the Company and Arizona Public Service Company ("APS") entered into an asset purchase agreement (the "Purchase and Sale Agreement") providing for the purchase by APS of the Company's interests in the Four Corners Power Plant. The transaction closed on July 6, 2016.

On June 10, 2015, the Company filed an application in Texas requesting reasonableness and public interest findings and certain rate and accounting findings related to the Purchase and Sale Agreement. This case was assigned PUCT Docket No. 44805. A final order approving the Stipulation and Agreement was adopted by the PUCT on March 30, 2017. The signatories of the Stipulation and Agreement in Docket No. 44805 agreed to support the recovery of the Company's Four Corner's final coal reclamation costs in the 2016 Fuel Reconciliation.

Pursuant to the final order in the 2016 Fuel Reconciliation, PUCT Docket No. 46308, the Texas jurisdiction portion of the final coal reclamation costs are to be recovered through fuel costs over a seven-year period beginning July 2016.

Pursuant to the final order in NMPRC Case No. 15-00109-UT, the New Mexico jurisdiction portion of the final coal reclamation costs are to be recovered through the FPPCAC over a seven-year period beginning with the rate case to be filed after closing the sale of Four Corners on July 6, 2016.

Schedule Page: 232 Line No.: 8 Column: a

On June 10, 2015, the Company filed an application in Texas requesting reasonableness and public interest findings and certain rate and accounting findings related to the Purchase and Sale Agreement. This case was assigned PUCT Docket No. 44805. A final order approving the Stipulation and Agreement was adopted by the PUCT on March 30, 2017. The signatories of the Stipulation and Agreement in Docket No. 44805 agreed to support the recovery of the Company's Four Corner's decommissioning costs in the ongoing 2017 Texas rate case, PUCT Docket No. 46831. On November 2, 2017, the Joint Motion to Implement Uncontested Stipulation and Agreement was filed for the Company's Texas rate case pending in Docket No. 46831. In the pending settlement agreement, the parties agreed to the recovery of approximately $5.5 million representing the Texas portion to decommission Four Corners.

The NMPRC in Case No. 15-00109-UT also approved the Company's request for an accounting order establishing $1.4 million of costs related to the decommissioning of Four Corners as a regulatory asset to be recovered over a seven-year period beginning in the rate case to be filed after closing the sale of Four Corners on July 6, 2016.

Schedule Page: 232 Line No.: 15 Column: a

On August 25, 2016, the PUCT issued its final order in Docket No. 44941 approving the recovery of rate case expenses through a separate sucharge beginning October 1, 2016 and ending September 30, 2018.

Schedule Page: 232 Line No.: 16 Column: a

On November 2, 2017, the Joint Motion to Implement Uncontested Stipulation and Agreement was filed for the Company's Texas rate case pending in Docket No. 46831. The terms of the Stipulation and Agreement include approval for recovery of the rate case expenses through a surcharge over three years beginning in January 2018 when new rates expect to go into effect. A final PUCT order in the 2017 Texas retail rate case, Docket No. 46831 is expected to be issued in the fourth quarter of 2017.

Schedule Page: 232 Line No.: 18 Column: a

On August 25, 2016, the PUCT issued its final order in Docket No. 44941 approving the recovery of revenues associated with the relate back of rates to consumption on and after January 12, 2016 through March 31, 2016 through a separate surcharge beginning October 1, 2016 and ending September 30, 2017.

Schedule Page: 232 Line No.: 20 Column: a

Section 36.354 of the Texas Utilities Code requires that each electric utility provide Military Base Rate discounts to military bases in areas where customers choice is not available. In accordance with the final order in PUCT Docket No. 37690, the Military Base Discount Recovery Factor allows the Company to recover the total base rate discount provided to military base facilities from non-military base customers through a recovery factor. The rate is updated anually.

Schedule Page: 232 Line No.: 23 Column: a

In NMPRC Case No.15-00127-UT, the NMPRC approved the Company's request to recover costs related to renewable energy certificates and procurement plan costs over a six-year period beginning July 1, 2016. The Company will request costs incurred after December 31, 2014 as a component of base rates in the Company's next rate case filing.

Schedule Page: 232 Line No.: 26 Column: a

Represents costs incurred for a Fuel and Purchased Power Adjustment Clause (FPPCAC) audit. The Company requested such amounts in NMPRC Case No. 15-00127-UT and they are being amortized over a three-year period which began when new rates became effective on July 1, 2016.

Schedule Page: 232 Line No.: 27 Column: a

This balance is related to rate case costs requested in NMPRC Case No. 15-00127-UT and is being amortized over a three-year period beginning July 1, 2016.

Schedule Page: 232 Line No.: 28 Column: a

On February 22, 2017 the NMPRC approved the Company's request to implement a Demand Response Pilot Program pursuant to its proposed Original Rate No. 37. This program provides an incentive for customers to switch to eSmart Thermostats, giving the Company the ability to slightly modify the eSmart Thermostats during peak times. These program costs will be requested for recovery in a future rate making proceeding.

Schedule Page: 232 Line No.: 30 Column: a

In NMPRC Case No. 09-00171-UT, the NMPRC extended the depreciable life of Palo Verde an additional 20 years for New Mexico ratemaking purposes, reducing the depreciation expense collected from New Mexico customers in rates, effective January 2010. In April 2011, the U.S. Nuclear Regulatory Commission renewed the operating license for all three units at Palo Verde for an additional 20 years; therefore, the incremental difference in Palo Verde depreciation for the New Mexico jurisdiction is being amortized to account 407.3 over the remaining life of Palo Verde.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Begining of Current Quarter/Year (b)	DEBITS Account Credited (c)	DEBITS Amount (d)	Credits (e)	Balance at End of Current Quarter/Year (f)
1	Regulatory Tax Liabilities	38,100,667	various	297,668	135,885	37,938,884
2						
3	Net Overcollection of Fuel Revenues:					
4	Texas				1,088,007	1,088,007
5	New Mexico	313,847			1,605,646	1,919,493
6	FERC				12,802	12,802
7						
8	New Mexico Energy Efficiency Program	997,235	131	1,157,918	1,749,786	1,589,103
9						
10	Texas Energy Efficiency Program	1,465,924	131	585,684	1,493,711	2,373,951
11						
12	New Mexico Gain on Sale of Assets	697,372	407.4	65,310		632,062
13						
14	Texas Relate Back Surcharge				184,342	184,342
15						
16						
17						
18						
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36						
37						
38						
39						
40						
41	TOTAL	41,575,045		2,106,580	6,270,179	45,738,644

Schedule Page: 278 Line No.: 1 Column: f

Amortization period ranges from 5 to 40 years.

Schedule Page: 278 Line No.: 8 Column: a

In accordance with the Final Order in NMPRC Case No. 06-0065-UT, the Company started collecting Energy Efficiency costs, effective May 2009, through a tariff rider approved by the NMPRC via New Mexico Rate 17. The rate is updated annually.

Schedule Page: 278 Line No.: 10 Column: a

In accordance with the Final Order in PUCT Docket No. 37690, the Company began recovering Energy Efficiency Program costs effective July 2010, through a tariff rider approved by the PUCT via Texas Rate 97. The rate is updated annually.

Schedule Page: 278 Line No.: 12 Column: a

In accordance with the Final Order in NMPRC Case No. 15-00127-UT, effective in July 2016, the Company is sharing its three-year average gains on the sales of assets with its New Mexico customers over a three-year period.

Schedule Page: 278 Line No.: 14 Column: a

On August 25, 2016, the PUCT issued its final order in Docket No. 44941 approving the recovery of revenues associated with the relate back of rates to consumption on or after January 12, 2016 through March 31, 2016 through a separate surcharge beginning October 1, 2016 and ending September 30, 2017.

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q3

ELECTRIC OPERATING REVENUES (Account 400)

1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. Disclose amounts of $250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	286,590,326	281,335,850
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	205,448,287	201,209,880
5	Large (or Ind.) (See Instr. 4)	49,717,526	47,921,509
6	(444) Public Street and Highway Lighting	4,016,279	3,885,285
7	(445) Other Sales to Public Authorities	104,896,715	103,057,589
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	650,669,133	637,410,113
11	(447) Sales for Resale	47,026,502	36,859,980
12	TOTAL Sales of Electricity	697,695,635	674,270,093
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	697,695,635	674,270,093
15	Other Operating Revenues		
16	(450) Forfeited Discounts	1,087,280	1,041,025
17	(451) Miscellaneous Service Revenues	5,397,659	4,211,691
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	2,182,362	2,246,548
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	573,958	473,061
22	(456.1) Revenues from Transmission of Electricity of Others	13,710,875	16,656,928
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	22,952,134	24,629,253
27	TOTAL Electric Operating Revenues	720,647,769	698,899,346

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
2,257,031	2,239,109			2
				3
1,851,396	1,849,618			4
794,572	769,425			5
28,001	27,004			6
1,170,862	1,172,863			7
				8
				9
6,101,862	6,058,019			10
2,257,021	2,136,505			11
8,358,883	8,194,524			12
				13
8,358,883	8,194,524			14

Line 12, column (b) includes $ 8,961,000 of unbilled revenues.

Line 12, column (d) includes 37,679 MWH relating to unbilled revenues

Schedule Page: 300 Line No.: 11 Column: d

Includes 725,294 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 300 Line No.: 11 Column: e

Includes 632,416 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 300 Line No.: 12 Column: d

Includes 725,294 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 300 Line No.: 12 Column: e

Includes 632,416 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 300 Line No.: 14 Column: d

Includes 725,294 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 300 Line No.: 14 Column: e

Includes 632,416 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 300 Line No.: 17 Column: b

Below is the detail of Miscellaneous Service Revenues recorded in account 451:

	September 2017
Non Pay Reconnect Charges	1,824,967
Name Change/Cut in Charge	1,809,046
New Service Charges	281,192
Overhead/Underground Connection Charges	526,335
Texas Energy Efficiency Bonus	714,352
Misc Other	241,767
Total	5,397,659

Schedule Page: 300 Line No.: 17 Column: c

Below is the detail of Miscellaneous Service Revenues recorded in account 451:

	September 2016
Non Pay Reconnect Charges	1,288,797
Name Change/Cut in Charge	1,645,956
New Service Charges	294,486
Overhead/Underground Connection Charges	233,113
Texas Energy Efficiency Bonus	512,545
Misc Other	236,794
Total	4,211,691

Schedule Page: 300 Line No.: 21 Column: b

Includes $330,208 related to the Company's 15.8% share of Palo Verde other electric revenues from APS.

Schedule Page: 300 Line No.: 21 Column: c

Includes $388,149 related to the Company's 15.8% share of Palo Verde other electric revenues from APS.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES

Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.

Line No.	Account (a)	Year to Date Quarter (b)
1	1. POWER PRODUCTION AND OTHER SUPPLY EXPENSES	
2	Steam Power Generation - Operation (500-509)	89,164,718
3	Steam Power Generation - Maintenance (510-515)	23,534,555
4	Total Power Production Expenses - Steam Power	112,699,273
5	Nuclear Power Generation - Operation (517-525)	70,411,702
6	Nuclear Power Generation – Maintenance (528-532)	14,241,963
7	Total Power Production Expenses - Nuclear Power	84,653,665
8	Hydraulic Power Generation - Operation (535-540.1)	
9	Hydraulic Power Generation – Maintenance (541-545.1)	
10	Total Power Production Expenses – Hydraulic Power	
11	Other Power Generation - Operation (546-550.1)	33,226,823
12	Other Power Generation - Maintenance (551-554.1)	2,632,828
13	Total Power Production Expenses - Other Power	35,859,651
14	Other Power Supply Expenses	
15	Purchased Power (555)	47,823,168
16	System Control and Load Dispatching (556)	896,651
17	Other Expenses (557)	
18	Total Other Power Supply Expenses (line 15-17)	48,719,819
19	Total Power Production Expenses (Total of lines 4, 7, 10, 13 and 18)	281,932,408
20	2. TRANSMISSION EXPENSES	
21	Transmission Operation Expenses	
22	(560) Operation Supervision and Engineering	1,033,511
23		
24	(561.1) Load Dispatch-Reliability	47,807
25	(561.2) Load Dispatch-Monitor and Operate Transmission System	617,135
26	(561.3) Load Dispatch-Transmission Service and Scheduling	650,830
27	(561.4) Scheduling, System Control and Dispatch Services	459,714
28	(561.5) Reliability, Planning and Standards Development	753,794
29	(561.6) Transmission Service Studies	
30	(561.7) Generation Interconnection Studies	
31	(561.8) Reliability, Planning and Standards Development Services	
32	(562) Station Expenses	176,292
33	(563) Overhead Line Expenses	151,104
34	(564) Underground Line Expenses	
35	(565) Transmission of Electricity by Others	5,143,432
36	(566) Miscellaneous Transmission Expenses	4,742,745
37	(567) Rents	371,141
38	(567.1) Operation Supplies and Expenses (Non-Major)	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES

Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.

Line No.	Account (a)	Year to Date Quarter (b)
39	TOTAL Transmission Operation Expenses (Lines 22 - 38)	14,147,505
40	Transmission Maintenance Expenses	
41	(568) Maintenance Supervision and Engineering	44,497
42	(569) Maintenance of Structures	25,145
43	(569.1) Maintenance of Computer Hardware	
44	(569.2) Maintenance of Computer Software	
45	(569.3) Maintenance of Communication Equipment	
46	(569.4) Maintenance of Miscellaneous Regional Transmission Plant	
47	(570) Maintenance of Station Equipment	293,323
48	(571) Maintenance Overhead Lines	1,046,575
49	(572) Maintenance of Underground Lines	
50	(573) Maintenance of Miscellaneous Transmission Plant	14,723
51	(574) Maintenance of Transmission Plant	
52	TOTAL Transmission Maintenance Expenses (Lines 41 - 51)	1,424,263
53	Total Transmission Expenses (Lines 39 and 52)	15,571,768
54	3. REGIONAL MARKET EXPENSES	
55	Regional Market Operation Expenses	
56	(575.1) Operation Supervision	
57	(575.2) Day-Ahead and Real-Time Market Facilitation	
58	(575.3) Transmission Rights Market Facilitation	
59	(575.4) Capacity Market Facilitation	
60	(575.5) Ancillary Services Market Facilitation	
61	(575.6) Market Monitoring and Compliance	
62	(575.7) Market Facilitation, Monitoring and Compliance Services	
63	Regional Market Operation Expenses (Lines 55 - 62)	
64	Regional Market Maintenance Expenses	
65	(576.1) Maintenance of Structures and Improvements	
66	(576.2) Maintenance of Computer Hardware	
67	(576.3) Maintenance of Computer Software	
68	(576.4) Maintenance of Communication Equipment	
69	(576.5) Maintenance of Miscellaneous Market Operation Plant	
70	Regional Market Maintenance Expenses (Lines 65-69)	
71	TOTAL Regional Control and Market Operation Expenses (Lines 63,70)	
72	4. DISTRIBUTION EXPENSES	
73	Distribution Operation Expenses (580-589)	10,553,843
74	Distribution Maintenance Expenses (590-598)	6,270,617
75	Total Distribution Expenses (Lines 73 and 74)	16,824,460

ELECTRIC CUSTOMER ACCOUNTS, SERVICE, SALES, ADMINISTRATIVE AND GENERAL EXPENSES

Report the amount of expenses for customer accounts, service, sales, and administrative and general expenses year to date.

Line No.	Account (a)	Year to Date Quarter (b)
1	(901-905) Customer Accounts Expenses	14,489,013
2	(907-910) Customer Service and Information Expenses	153,646
3	(911-917) Sales Expenses	
4	8. ADMINISTRATIVE AND GENERAL EXPENSES	
5	Operations	
6	920 Administrative and General Salaries	23,666,693
7	921 Office Supplies and Expenses	3,304,580
8	(Less) 922 Administrative Expenses Transferred-Credit	
9	923 Outside Services Employed	12,294,125
10	924 Property Insurance	3,109,509
11	925 Injuries and Damages	3,390,764
12	926 Employee Pensions and Benefits	20,117,057
13	927 Franchise Requirements	
14	928 Regulatory Commission Expenses	4,206,580
15	(Less) 929 Duplicate Charges-Credit	
16	930.1General Advertising Expenses	852,903
17	930.2Miscellaneous General Expenses	11,375,829
18	931 Rents	238,928
19	TOTAL Operation (Total of lines 6 thru 18)	82,556,968
20	Maintenance	
21	935 Maintenance of General Plant	5,244,958
22	TOTAL Administrative and General Expenses (Total of lines 19 and 21)	87,801,926

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q3

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classifi-cation (d)
1	El Paso Electric Marketing	Public Service Company of New Mex	El Paso Electric Marketing	NF
2	Rio Grande Electric Co-Op	El Paso Electric Marketing	El Paso Electric Marketing	FNO
3	Arizona Electric Power Cooperative	Salt River Project	Arizona Public Service Company	LFP
4	Arizona Electric Power Cooperative	Salt River Project	Arizona Public Service Company	SFP
5	Arizona Electric Power Cooperative	Tucson Electric Power Company	Tucson Electric Power Company	NF
6	Arizona Electric Power Cooperative	Arizona Public Service Company	Salt River Project	SFP
7	Cargill	Public Service Company of New Mex	Tucson Electric Power Company	NF
8	Cargill	Southwestern Public Service Compa	Tucson Electric Power Company	NF
9	Cargill	Southwestern Public Service Compa	Tucson Electric Power Company	NF
10	Cargill	Salt River Project	Arizona Public Service Company	NF
11	Cargill	Salt River Project	Arizona Public Service Company	NF
12	Coral Power	Salt River Project	Arizona Public Service Company	LFP
13	Coral Power	Salt River Project	Arizona Public Service Company	SFP
14	Eagle Energy Partners	Salt River Project	Salt River Project	SFP
15	Imperial Irrigation District	Salt River Project	Arizona Public Service Company	NF
16	Morgan Stanley	Salt River Project	Arizona Public Service Company	NF
17	Open Access Technology International, Inc.	Public Service Company of New Mex	Tucson Electric Power Company	NF
18	Open Access Technology International, Inc.	Southwestern Public Service Compa	Tucson Electric Power Company	NF
19	Open Access Technology International, Inc.	Salt River Project	Arizona Public Service Company	NF
20	Powerex	Salt River Project	Arizona Public Service Company	NF
21	Powerex	Salt River Project	Arizona Public Service Company	NF
22	Powerex	Salt River Project	Arizona Public Service Company	SFP
23	Powerex	Arizona Public Service Company	Salt River Project	SFP
24	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	AD
25	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
26	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
27	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	AD
28	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
29	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
30	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	LFP
31	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	SFP
32	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	SFP
33	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	LFP
34	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
	TOTAL			

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions reffered to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Subsatation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY MegaWatt Hours Received (i)	TRANSFER OF ENERGY MegaWatt Hours Delivered (j)	Line No.
OATT	Westmesa	EPE System		1,299	1,299	1
OATT	EPE System	Coyote/Farmer	13	20,148	20,148	2
OATT	Palo Verde	Westwing	125	36,876	36,876	3
OATT	Palo Verde	Westwing		81	81	4
OATT	Springerville	Greenlee		8	8	5
OATT	Westwing	Palo Verde		1,739	1,739	6
OATT	Amrad	Springerville		287	287	7
OATT	Eddy	Springerville		4,538	4,538	8
OATT	Eddy	Springerville		400	400	9
OATT	Palo Verde	Westwing		2,374	2,374	10
OATT	Palo Verde	Westwing		8,769	8,769	11
OATT	Palo Verde	Westwing	125	45,439	45,439	12
OATT	Palo Verde	Westwing		103	103	13
OATT	Jojoba	Palo Verde		7	7	14
OATT	Palo Verde	Westwing		3,746	3,746	15
OATT	Palo Verde	Westwing		787	787	16
OATT	Amrad	Springerville		1,150	1,150	17
OATT	Eddy	Springerville		261	261	18
OATT	Palo Verde	Westwing		300	300	19
OATT	Palo Verde	Westwing		72	72	20
OATT	Palo Verde	Westwing		4,207	4,207	21
OATT	Palo Verde	Westwing		281	281	22
OATT	Westwing	Palo Verde		10,391	10,391	23
OATT	Afton	Amrad				24
OATT	Afton	Amrad		7,715	7,715	25
OATT	Afton	Amrad		22,515	22,515	26
OATT	Afton	Luna				27
OATT	Afton	Luna		15,463	15,463	28
OATT	Afton	Luna		12,867	12,867	29
OATT	Afton	Springerville	94	49,530	49,530	30
OATT	Afton	Springerville				31
OATT	Afton	Springerville		2,095	2,095	32
OATT	Afton	Westmesa	141	51,877	51,877	33
OATT	Afton	Westmesa		402	402	34
			837	**1,100,349**	**1,100,349**	

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions reffered to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges ($) (k)	Energy Charges ($) (l)	(Other Charges) ($) (m)	Total Revenues ($) (k+l+m) (n)	Line No.
				1
57,035			57,035	2
151,802			151,802	3
				4
	26		26	5
	2,242		2,242	6
	1,881		1,881	7
	18,520		18,520	8
	7,554		7,554	9
	1,345		1,345	10
	11,229		11,229	11
153,219			153,219	12
				13
	31		31	14
	3,436		3,436	15
	846		846	16
	4,264		4,264	17
	1,045		1,045	18
	245		245	19
	46		46	20
	4,051		4,051	21
	271		271	22
	8,773		8,773	23
	-1,042		-1,042	24
	43,646		43,646	25
	129,255		129,255	26
	-834		-834	27
	86,410		86,410	28
	67,615		67,615	29
635,874			635,874	30
	188		188	31
				32
533,529			533,529	33
	1,519		1,519	34
3,224,967	**1,671,180**	**0**	**4,896,147**	

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q3

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classifi-cation (d)
1	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
2	Public Service Company of New Mexico	Tucson Electric Power Company	Public Service Company of New Mex	SFP
3	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
4	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
5	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
6	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	AD
7	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	AD
8	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	LFP
9	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	NF
10	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	SFP
11	Public Service Company of New Mexico	Tucson Electric Power Company	Public Service Company of New Mex	NF
12	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	LFP
13	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
14	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
15	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
16	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
17	Tenaska Power Services Company	Salt River Project	Arizona Public Service Company	NF
18	Tenaska Power Services Company	Arizona Public Service Company	Salt River Project	SFP
19	Transalta	Salt River Project	Arizona Public Service Company	NF
20	Tristate Generating and Transmission Coop	Tucson Electric Power Company	Public Service Company of New Mex	LFP
21	Tristate Generating and Transmission Coop	Tucson Electric Power Company	Public Service Company of New Mex	SFP
22	Tucson Electric Power	Salt River Project	Salt River Project	LFP
23	Tucson Electric Power	Salt River Project	Salt River Project	SFP
24	Tucson Electric Power	Salt River Project	Salt River Project	NF
25	Tucson Electric Power	Salt River Project	Arizona Public Service Company	NF
26	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	AD
27	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	LFP
28	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	NF
29	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	NF
30	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	NF
31	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	SFP
32	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	LFP
33	Tucson Electric Power	Tucson Electric Power Company	Tucson Electric Power Company	NF
34	Tucson Electric Power	Tucson Electric Power Company	Tucson Electric Power Company	NF
	TOTAL			

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions reffered to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Subsatation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY MegaWatt Hours Received (i)	TRANSFER OF ENERGY MegaWatt Hours Delivered (j)	Line No.
OATT	Afton	Westmesa		2,603	2,603	1
OATT	Greenlee	Luna		484	484	2
OATT	Las Cruces	Amrad		10	10	3
OATT	Las Cruces	Amrad		452	452	4
OATT	Luna	Amrad				5
OATT	Luna	Springerville				6
OATT	Luna	Springerville				7
OATT	Luna	Springerville	60	60,455	60,455	8
OATT	Luna	Springerville		4,593	4,593	9
OATT	Luna	Springerville		11,548	11,548	10
OATT	Springerville	Luna		234	234	11
OATT	Westmesa	Amrad	25	32,886	32,886	12
OATT	Westmesa	Amrad		605	605	13
OATT	Westmesa	Amrad		3,286	3,286	14
OATT	Westmesa	Las Cruces		11	11	15
OATT	Westmesa	Las Cruces		237	237	16
OATT	Palo Verde	Westwing		300	300	17
OATT	Westwing	Palo Verde		45	45	18
OATT	Palo Verde	Westwing		65	65	19
80	Springerville	Las Cruces/Orogrande	50	93,772	93,772	20
OATT	Springerville	Las Cruces/Orogrande		3,968	3,968	21
OATT	Jojoba	Kyrene	142	198,579	198,579	22
OATT	Jojoba	Kyrene		839	839	23
OATT	Jojoba	Palo Verde		4,174	4,174	24
OATT	Jojoba	Westwing		1,428	1,428	25
OATT	Luna	Greenlee				26
OATT	Luna	Greenlee	30	46,984	46,984	27
OATT	Luna	Greenlee		1,643	1,643	28
OATT	Luna	Greenlee	10	1,510	1,510	29
OATT	Luna	Greenlee		2	2	30
OATT	Luna	Greenlee		1,987	1,987	31
OATT	Luna	Springerville	10			32
OATT	Macho Springs	Greenlee		6	6	33
OATT	Macho Springs	Springerville		2	2	34
			837	**1,100,349**	**1,100,349**	

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions reffered to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges ($) (k)	Energy Charges ($) (l)	(Other Charges) ($) (m)	Total Revenues ($) (k+l+m) (n)	Line No.
	2,372		2,372	1
	11,410		11,410	2
	114		114	3
	2,476		2,476	4
	198		198	5
	-8,348		-8,348	6
	19,323		19,323	7
436,365			436,365	8
	252,446		252,446	9
	608,664		608,664	10
	1,383		1,383	11
181,819			181,819	12
	5,897		5,897	13
	17,179		17,179	14
	73		73	15
	1,307		1,307	16
	269		269	17
	44		44	18
	76		76	19
346,500			346,500	20
				21
399,127			399,127	22
				23
	9,981		9,981	24
	3,939		3,939	25
	-926		-926	26
218,183			218,183	27
	53,242		53,242	28
24,240			24,240	29
	1,389		1,389	30
				31
				32
	20		20	33
	11		11	34
3,224,967	**1,671,180**	**0**	**4,896,147**	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classifi-cation (d)
1	Tucson Electric Power	Tucson Electric Power Company	Tucson Electric Power Company	SFP
2	Tucson Electric Power	Tucson Electric Power Company	Tucson Electric Power Company	SFP
3	Tucson Electric Power	Tucson Electric Power Company	Tucson Electric Power Company	SFP
4	Tucson Electric Power	Salt River Project	Arizona Public Service Company	NF
5	Tucson Electric Power	Salt River Project	Arizona Public Service Company	NF
6	Tucson Electric Power	Tucson Electric Power Company	Tucson Electric Power Company	NF
7	Tucson Electric Power	Arizona Public Service Company	Salt River Project	SFP
8	UniSource Energy Services	Salt River Project	Arizona Public Service Company	AD
9	UniSource Energy Services	Salt River Project	Arizona Public Service Company	NF
10	Western Area Power Admin	Public Service Company of New Mex	Public Service Company of New Mex	LFP
11	Western Area Power Admin	Public Service Company of New Mex	Public Service Company of New Mex	SFP
12	Western Area Power Admin - DSW	Salt River Project	Arizona Public Service Company	NF
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
	TOTAL			

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q3

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions reffered to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Subsatation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY MegaWatt Hours Received (i)	TRANSFER OF ENERGY MegaWatt Hours Delivered (j)	Line No.
OATT	Macho Springs	Springerville		1,150	1,150	1
OATT	Macho Springs	Springerville		96	96	2
OATT	Macho Springs	Springerville	10	8,252	8,252	3
OATT	Palo Verde	Westwing		46	46	4
OATT	Palo Verde	Westwing		24,201	24,201	5
OATT	Springerville	Greenlee		401	401	6
OATT	Westwing	Palo Verde				7
OATT	Palo Verde	Westwing				8
OATT	Palo Verde	Westwing		284,999	284,999	9
OATT	Westmesa	Holloman	2	1,887	1,887	10
OATT	Westmesa	Holloman		81	81	11
OATT	Palo Verde	Westwing		801	801	12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
			837	**1,100,349**	**1,100,349**	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions reffered to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges ($) (k)	Energy Charges ($) (l)	(Other Charges) ($) (m)	Total Revenues ($) (k+l+m) (n)	Line No.
	20,063		20,063	1
	5,003		5,003	2
72,728			72,728	3
	31		31	4
	19,325		19,325	5
	2,197		2,197	6
	360		360	7
	-551		-551	8
	248,888		248,888	9
14,546			14,546	10
				11
	763		763	12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
3,224,967	**1,671,180**	**0**	**4,896,147**	

Schedule Page: 328 Line No.: 1 Column: a

El Paso Electric Marketing refers to El Paso Electric Company’s Resource Management Department.

Schedule Page: 328 Line No.: 1 Column: e

OATT = Open Access Transmission Tariff.

Schedule Page: 328 Line No.: 2 Column: d

Network Integration Transmission Service. Evergreen contract may expire on March 31st of the applicable year with a prior two year notice.

Schedule Page: 328 Line No.: 3 Column: d

Firm transmission contracts of 17, 23, 35 and 50MW, expiration January 1, 2021. Service was partially redirected to hourly services.

Schedule Page: 328 Line No.: 4 Column: i

Losses associated with the energy wheeled on transmission purchases that are paid back in kind.

Schedule Page: 328 Line No.: 12 Column: d

Firm transmission contracts of 25 and 100 MW, expiration January 1, 2021.

Schedule Page: 328 Line No.: 13 Column: i

Losses associated with the energy wheeled on transmission purchases that are paid back in kind.

Schedule Page: 328 Line No.: 24 Column: d

Prior Period Adjustment related to June 2017.

Schedule Page: 328 Line No.: 27 Column: d

Prior Period Adjustment related to June 2017.

Schedule Page: 328 Line No.: 30 Column: d

Firm transmission contract, expiration August 1, 2019. Service was partially redirected to hourly services.

Schedule Page: 328 Line No.: 32 Column: i

Losses associated with the energy wheeled on transmission purchases that are paid back in kind.

Schedule Page: 328 Line No.: 33 Column: d

Firm transmission contracts of 111 and 30 MW, expiration January 1, 2019. Includes 111 MW generation dependent firm transmission service per executed service agreement. Service was partially redirected to hourly services.

Schedule Page: 328.1 Line No.: 2 Column: i

Losses billed to PNM under the FERC approved Operating Procedure 10.

Schedule Page: 328.1 Line No.: 6 Column: d

Prior Period Adjustment related to June 2017.

Schedule Page: 328.1 Line No.: 7 Column: d

Prior Period Adjustment related to June 2017.

Schedule Page: 328.1 Line No.: 8 Column: d

Firm transmission contract, expiration January 1, 2020.

Schedule Page: 328.1 Line No.: 12 Column: d

Firm transmission contract, expiration July 1, 2018.

Schedule Page: 328.1 Line No.: 20 Column: d

Firm transmission contract, expiration January 1, 2026.

Schedule Page: 328.1 Line No.: 21 Column: i

Losses associated with the energy wheeled on transmission purchases that are paid back in kind.

Schedule Page: 328.1 Line No.: 22 Column: d

Firm transmission contract, expiration January 1, 2020.

Schedule Page: 328.1 Line No.: 23 Column: i

Losses associated with the energy wheeled on transmission purchases that are paid back in kind.

Schedule Page: 328.1 Line No.: 26 Column: d

Prior Period Adjustment related to June 2017.

Schedule Page: 328.1 Line No.: 27 Column: d

Firm transmission contract, expiration November 1, 2029.

Schedule Page: 328.1 Line No.: 31 Column: i

Losses associated with the energy wheeled on transmission purchases that are paid back in kind.

Schedule Page: 328.1 Line No.: 32 Column: d

Firm transmission contract, expiration November 1, 2029. Service was redirected to monthly services.

Schedule Page: 328.2 Line No.: 8 Column: d

Prior Period Adjustment related to June 2017.

Schedule Page: 328.2 Line No.: 10 Column: d

Firm transmission contract, expiration October 1, 2024

Schedule Page: 328.2 Line No.: 11 Column: i

Losses associated with the energy wheeled on transmission purchases that are paid back in kind.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to- Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY: Magawatt-hours Received (c)	TRANSFER OF ENERGY: Magawatt-hours Delivered (d)	EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS: Demand Charges ($) (e)	Energy Charges ($) (f)	Other Charges ($) (g)	Total Cost of Transmission ($) (h)
1	Public Serv. Co. of NM	LFP	218,792	218,792	1,009,521			1,009,521
2	Public Serv. Co. of NM	LFP	4,142	4,142	194,540			194,540
3	Public Serv. Co. of NM	SFP	16,459	16,459				
4	Public Serv. Co. of NM	NF	4,061	4,061		35,653		35,653
5	Public Serv. Co. of NM	AD				101,736		101,736
6	Public Serv. Co. of NM	AD				67,670		67,670
7	Public Serv. Co. of NM	AD				952		952
8	Public Serv. Co. of NM	AD				2		2
9	Salt River Project	OLF	95,895	95,895	444,375			444,375
10	Salt River Project	SFP	10,503	10,503		39,959		39,959
11	Tucson Electric Power	OLF	162,962	162,962				
12	Tucson Electric Power	SFP	828	828		4,697		4,697
13	Tucson Electric Power	NF	355	355		2,195		2,195
14	Tucson Electric Power	OS	106	106				
15	Open Access Technology	NF	300	300		2,875		2,875
16	Open Access Technology	AD				3,022		3,022
	TOTAL		514,403	514,403	1,648,436	258,761		1,907,197

Schedule Page: 332 Line No.: 1 Column: b
Contract terminates July 1, 2020.
Schedule Page: 332 Line No.: 1 Column: c
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 1 Column: d
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 2 Column: b
Contract terminates June 1, 2019.
Schedule Page: 332 Line No.: 2 Column: c
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 2 Column: d
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 3 Column: c
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 3 Column: d
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 4 Column: c
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 4 Column: d
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 4 Column: f
Amounts shown include short term transmission reservations, related ancillary and losses.
Schedule Page: 332 Line No.: 5 Column: b
Prior year adjustment for Long-Term Firm Point-to-Point Transmission related to PNM Annual Transmission Revenue Requirement recalculation for June 2016 - December 2016.
Schedule Page: 332 Line No.: 5 Column: f
Prior year adjustment for Long-Term Firm Point-to-Point Transmission related to PNM Annual Transmission Revenue Requirement recalculation for June 2016 - December 2016.
Schedule Page: 332 Line No.: 6 Column: b
Prior period adjustment for Long-Term Firm Point-to-Point Transmission related to PNM Annual Transmission Revenue Requirement recalculation for January 2017 - May 2017.
Schedule Page: 332 Line No.: 6 Column: f
Prior period adjustment for Long-Term Firm Point-to-Point Transmission related to PNM Annual Transmission Revenue Requirement recalculation for January 2017 - May 2017.
Schedule Page: 332 Line No.: 7 Column: b
Prior period adjustment for Non-Firm Transmission related to PNM Annual Transmission Revenue Requirement recalculation for January 2017-May 2017.
Schedule Page: 332 Line No.: 7 Column: f
Prior period adjustment for Non-Firm Transmission related to PNM Annual Transmission Revenue Requirement recalculation for January 2017-May 2017.
Schedule Page: 332 Line No.: 8 Column: b
Prior period adjustment for Short-Term Firm Point-to-Point Transmission related to PNM Annual Transmission Revenue Requirement recalculation for January 2017-May 2017.
Schedule Page: 332 Line No.: 8 Column: f
Prior period adjustment for Short-Term Firm Point-to-Point Transmission related to PNM Annual Transmission Revenue Requirement recalculation for January 2017-May 2017.
Schedule Page: 332 Line No.: 9 Column: b
Contract expires concurrent with the ANPP Participation Agreement.
Schedule Page: 332 Line No.: 9 Column: c
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 9 Column: d
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 10 Column: c

Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 10 Column: d

Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 10 Column: f

Amounts shown include short term transmission reservations, related ancillary and losses.

Schedule Page: 332 Line No.: 11 Column: b

Service Schedule C terminates on the date of retirement of the last generating unit at Palo Verde Nuclear Generating Station, subject to twelve-month notice of termination by the Company.

Schedule Page: 332 Line No.: 11 Column: c

Amounts shown based on actual energy flows.

Schedule Page: 332 Line No.: 11 Column: d

Amounts shown based on actual energy flows.

Schedule Page: 332 Line No.: 11 Column: e

Under a pre-order 888/889 agreement, the Company was assigned rights as part of the Power Exchange and Transmission Agreement.

Schedule Page: 332 Line No.: 12 Column: c

Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 12 Column: d

Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 12 Column: f

Amounts shown include short term transmission reservations, related ancillary and losses.

Schedule Page: 332 Line No.: 13 Column: c

Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 13 Column: d

Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 13 Column: f

Amounts shown include short term transmission reservations, related ancillary and losses.

Schedule Page: 332 Line No.: 14 Column: c

SRSG transmission purchase.

Schedule Page: 332 Line No.: 14 Column: d

SRSG transmission purchase.

Schedule Page: 332 Line No.: 15 Column: c

Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 15 Column: d

Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 15 Column: f

Amounts shown include short term transmission reservations, related ancillary and losses.

Schedule Page: 332 Line No.: 16 Column: b

Prior period adjustment for June 2017 Non-Firm transmission.

Schedule Page: 332 Line No.: 16 Column: f

Prior period adjustment for June 2017 Non-Firm transmission.

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q3

Depreciation, Depletion and Amortization of Electric Plant (Accts 403, 403.1, 404, and 405) (Except Amortization of Acquisition Adjustments)

1. Report the year to date amounts of depreciation expense, asset retirement cost depreciation, depletion and amortization, except amortization of acquisition adjustments for the accounts indicated and classified according to the plant functional groups described.

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Other Limited-Term Electric Plant (Account 404) (e)	Amortization of Other Electric Plant (Account 405) (e)	Total (f)
1	Intangible Plant			4,640,200		4,640,200
2	Steam Production Plant	8,242,709	(17,359)			8,225,350
3	Nuclear Production Plant	19,132,933	(791,105)			18,341,828
4	Hydraulic Production Plant Conv					
5	Hydraulic Production Plant - Pumped Storage					
6	Other Production Plant	8,499,969	4,276			8,504,245
7	Transmission Plant	4,524,408				4,524,408
8	Distribution Plant	15,261,883				15,261,883
9	General Plant	6,530,259				6,530,259
10	Common Plant					
11	TOTAL ELECTRIC (lines 2 through 10)	62,192,161	(804,188)	4,640,200		66,028,173

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2017/Q3

MONTHLY PEAKS AND OUTPUT

(1) (1) Report the monthly peak load and energy output. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non- integrated system. In quarter 1 report January, February, and March only. In quarter 2 report April, May, and June only. In quarter 3 report July, August, and September only.
(2) Report on column (b) by month the system's output in Megawatt hours for each month.
(3) Report on column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
(4) Report on column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
(5) Report on columns (e) and (f) the specified information for each monthly peak load reported on column (d).
(6) Report Monthly Peak Hours in military time; 0100 for 1:00 AM, 1200 for 12 AM, and 1830 for 6:30 PM, etc.

NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (MWH) (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK Megawatts (See Instr. 4) (d)	MONTHLY PEAK Day of Month (e)	MONTHLY PEAK Hour (f)
1	January	855,829	229,465	1,061	25	2000
2	February	825,787	288,828	991	15	2000
3	March	917,217	314,840	1,197	22	1600
4	Total	2,598,833	833,133	3,249		
5	April	784,125	158,551	1,313	20	1600
6	May	959,322	241,153	1,432	25	1600
7	June	1,081,887	193,225	1,935	22	1600
8	Total	2,825,334	592,929	4,680		
9	July	1,128,590	227,591	1,792	11	1600
10	August	1,163,984	270,293	1,773	10	1600
11	September	1,067,651	280,289	1,685	13	1600
12	Total	3,360,225	778,173	5,250		

Schedule Page: 399 Line No.: 1 Column: b

Includes 61,808 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 1 Column: c

Includes 61,808 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 2 Column: b

Includes 82,903 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 2 Column: c

Includes 82,903 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 3 Column: b

Includes 91,660 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 3 Column: c

Includes 91,660 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 5 Column: b

Includes 45,898 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 5 Column: c

Includes 45,898 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 6 Column: b

Includes 92,190 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 6 Column: c

Includes 92,190 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 7 Column: b

Includes 79,980 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 7 Column: c

Includes 79,980 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 9 Column: b

Includes 91,337 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 9 Column: c

Includes 91,337 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 10 Column: b

Includes 90,527 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 10 Column: c

Includes 90,527 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 11 Column: b

Includes 88,991 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 399 Line No.: 11 Column: c

Includes 88,991 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2017/Q3

MONTHLY TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on Column (b) by month the transmission system's peak load.
(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM:

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	1,061	25	2000		6	667	50	80	
2	February	991	15	2000		6	673	50	81	
3	March	1,197	22	1600		7	675	50	78	
4	Total for Quarter 1					19	2,015	150	239	
5	April	1,313	20	1600		8	681	50	73	
6	May	1,432	25	1600		13	680	50	73	
7	June	1,935	22	1600		13	691	50	63	
8	Total for Quarter 2					34	2,052	150	209	
9	July	1,792	11	1600		14	650	50	104	
10	August	1,773	10	1600		14	677	50	77	
11	September	1,685	13	1600		10	679	50	75	
12	Total for Quarter 3					38	2,006	150	256	
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year					91	6,073	450	704	

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