Amended Filing

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION OF EL PASO ELECTRIC COMPANY FOR REVISION OF ITS RETAIL ELECTRIC RATES PURSUANT TO ADVICE NOTICE NO. 317	))))))	**Case No. 25-00082-UT**
EL PASO ELECTRIC COMPANY, Applicant.	))	

DIRECT TESTIMONY

OF

GEORGE NOVELA

ON BEHALF OF

EL PASO ELECTRIC COMPANY

MARCH 2026

Amended Filing

TABLE OF CONTENTS

SUBJECT **PAGE**

Amended Filing

TABLE OF CONTENTS

EXHIBITS

Amended Filing

EL PASO ELECTRIC COMPANY
DIRECT TESTIMONY OF
GEORGE NOVELA

I. INTRODUCTION AND QUALIFICATIONS

Q1. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is George Novela. My business address is 100 North Stanton Street, El Paso, Texas 79901.

Q2. HOW ARE YOU EMPLOYED?

A. I am employed by El Paso Electric Company ("EPE" or "Company") as Senior Director of Regulatory Policy and Rates.

Q3. PLEASE SUMMARIZE YOUR BUSINESS AND EDUCATIONAL BACKGROUND.

A. I graduated from The University of Texas at El Paso with a Bachelor of Business Administration in Economics in 2006, a Master of Science in Economics in 2008, and a Master of Business Administration in Finance in 2012. I received a Graduate Certificate in Public Utility Regulation & Economics from New Mexico State University in 2014.

Prior to working at EPE, I worked as the Research Coordinator for the City of El Paso's Department of Economic Development from 2007 to 2008. My duties included calculating incentive packages for new and expanding businesses, producing impact studies, and coordinating recruitment efforts with various public and private stakeholders.

In 2008, I began working for EPE as a Load Research Specialist, where I specialized in analyzing EPE's large customers. I was promoted to Senior Economist in 2011, where my responsibilities included the development of the long-term energy, demand, and customer forecasts that EPE uses for planning purposes. In 2014, I worked briefly for EPE's Energy Efficiency Department as a Program Coordinator, where I oversaw energy efficiency initiatives for residential customers in both Texas and New Mexico. In 2014, I was promoted to Manager of Economic Research, where I oversaw the Company's long-term forecasting and load research programs. I was promoted to Director of Economic and Rate Research in 2021, where I managed and directed the activities of both the Rates Department and Load Research and Data Analytics Department. As of 2024, I serve as Senior Director of Regulatory Policy and Rates, where I lead and represent the company, from a policy perspective, in various regulatory filings, while continuing to oversee previous responsibilities.

Alongside my work at EPE, I occasionally teach undergraduate courses in Macroeconomics and Microeconomics at El Paso Community College.

Q4. PLEASE DESCRIBE YOUR CURRENT RESPONSIBILITIES WITH EPE.

A. As the Senior Director of Regulatory Policy and Rates, I oversee and direct activities of EPE's Rate Research Department and Load Research and Data Analytics Department. The Rate Research Department responsibilities include jurisdictional and class cost of service studies, rate design analysis, and the development of EPE's retail rate schedules and charges. Load Research and Data Analytics responsibilities include the preparation of long-term customer, energy, and load forecasts, rates functions, preparation of weather normalization, analysis of load research data, the preparation of load research studies and reports. As the Senior Director of Regulatory Policy and Rates, I also lead and have direct participation in several regulatory filings, including general base rate cases, made by EPE with the New Mexico Public Regulation Commission ("NMPRC" or "Commission") and the Public Utility Commission of Texas ("PUCT").

Q5. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE UTILITY REGULATORY BODIES?

A. Yes, I have testified before the NMPRC and the PUCT.

II. PURPOSE AND OVERVIEW OF TESTIMONY AND RECOMMENDATIONS

Q6. WHY IS EPE FILING THIS CASE AT THIS TIME?

A. EPE's current base rates were approved by the Commission in EPE's 2020 Rate Case in Docket 20-00104-UT based on a calendar-year 2019 historical Test Year Period. In the five plus years since that rate case, EPE has invested heavily in its system to maintain reliability while also responding to organic load growth from its traditional customer base and electrification, extreme weather events, decarbonization mandates, grid modernization, and other complex challenges.

A key area of investment has been infrastructure upgrades, resiliency and hardening, and modernization of EPE's transmission and distribution system, described by EPE witness Omar Gallegos. To meet New Mexico's incremental clean energy goals under the Renewable Energy Act, EPE has interconnected approximately 545 MW of solar energy resources and 125 MW of battery energy storage to EPE's system with an additional 730 MW of solar and 665 MW of battery planned through 2029. EPE has also invested in key software packages, such as customer cloud service software, new enterprise resource planning software and integrated planning and forecasting software that are utilized by the Company to help provide reliable service to its customers; manage supply chain, human resources, accounting and budgeting information; and streamline the budgeting and forecasting process. These software investments are described in detail by EPE witness Cynthia S. Prieto.

These investments, combined with inflationary pressures, have substantially increased the cost for EPE to dependably serve its customers. As a result, EPE's currently-authorized rates are no longer just and reasonable. EPE is therefore asking for an increase in its non-fuel base rates to cover a base rate revenue deficiency of $70.7 million. I provide additional details on the circumstances supporting the need for the requested base rate increase later in my testimony.

Q7. WHAT IS THE PURPOSE OF YOUR TESTIMONY AND HOW IS IT ORGANIZED?

A. My testimony supports EPE's 2026 Application for Revision of Retail Electric Rates Pursuant to Advice Notice No. 317 ("Application"), as revised by the Amended Application filed pursuant to the Commission's Sua Sponte Order Vacating Procedural Schedule, Tolling Pending Deadlines, And Requiring the Filing of An Amended Application (July 17, 2026) ("Sua Sponte Order"), and demonstrates that this filing is important to advance EPE's operations and strategic goals for the energy transition while continuing its commitment to the delivery of dependable, safe, clean, and affordable service to our New Mexico customers.

I first address and explain EPE's Amended Application filing package ("Amended Filing"), including how the Amended Filing meets each of the requirements identified in Decretal Paragraph E of the Commission's Sua Sponte Order.

The following testimony is divided into 10 sections. I first provide an overview of EPE's Application, as amended, and the requested relief; demonstrate compliance with Rule 17.1.2.10; and introduce EPE's other witnesses presenting testimony in this proceeding.

The next section of my testimony provides an overview of EPE and addresses growth in EPE's New Mexico service territory since EPE's last rate case.

My testimony then summarizes key impacts to EPE's cost of providing electric service since EPE's last rate case that are driving the need for this rate filing.

The remaining sections of my testimony focus on rate design proposals to help EPE's low-income customers, expand pricing options and improve customer protection language, and revenue requirement distribution.

Q8. DO YOU SPONSOR SPECIFIC REQUESTS AND SCHEDULES IN THIS PROCEEDING?

A. Yes. I sponsor or co-sponsor filing requirements in Rule 17.1.2.10. I also sponsor Schedule Q2.

III. AMENDED FILING AND COMPLIANCE WITH SUA SPONTE ORDER

Q9. WHAT ARE THE INSTRUCTIONS PROVIDED IN THE SUA SPONTE ORDER FOR THE AMENDED FILING?

A. Decretal Paragraph E of the Sua Sponte Order requires EPE to file an Amended Application for Revision of Retail Electric Rates and a complete replacement filing package that "supersedes the original Application, the First Errata Notice, the Second Errata Notice, and all prior replacement or supplemental versions of affected documents." The Commission gave the following additional instructions for the Amended Filing in Subparagraphs (E)(1) through (8):

1) The Amended Application shall clearly state that it is the single operative version of EPE's affirmative filing in this docket.

2) EPE shall contemporaneously file a complete set of all testimony, exhibits, schedules, workpapers, cost-of-service studies, models, proposed tariffs, rate calculations, and any other supporting documents upon which it relies, regardless of whether particular documents were previously filed and remain unchanged. EPE shall not incorporate prior versions of affected documents by general reference where doing so would require Staff, intervenors, or the Hearing Examiner to determine which prior version remains operative.

3) Before filing the Amended Application, EPE shall conduct a comprehensive review sufficient to ensure, to the extent it can be reasonably known at that time, that the filing does not rely upon future rebuttal testimony, future errata, future replacement exhibits, future workpapers, or anticipated discovery supplementation to establish any foundational component of EPE's affirmative case. The Amended Application shall contain no unresolved ambiguity as to which testimony, exhibit, schedule, workpaper, model, tariff, calculation, or discovery response is operative.

4) EPE shall file with the Amended Application a comprehensive correction and reconciliation matrix. The matrix shall identify every error, omission, correction,

replacement, or supplementation disclosed in the First Errata Notice, the Second Errata Notice, discovery responses, pending motions, party correspondence included in the record, or EPE's further internal review.

5) EPE shall file a verification executed by an authorized officer of the Company stating that EPE has undertaken a comprehensive review of the Amended Application and supporting materials and that, to the best of the officer's knowledge after reasonable inquiry, the Amended Application is complete, accurate, internally consistent, and not known, at that time, to require further material correction or supplementation.

6) EPE shall also file verifications from each sponsoring witness confirming that the witness has reviewed the amended testimony, exhibits, schedules, and workpapers sponsored by that witness and that those materials are complete, accurate, internally consistent, and consistent with the Amended Application.

7) EPE shall provide all executable, native-format workpapers and models without technical limitations that would prevent Staff and intervenors from reproducing EPE's calculations.

8) EPE shall contemporaneously supplement all discovery responses that are affected by the Amended Application. No prior discovery response shall be treated as current merely because EPE does not expressly withdraw it. EPE bears the responsibility to determine which prior responses are no longer complete, accurate, or consistent with the Amended Application.

Q10. HAS EPE SUBMITTED A COMPLETE REPLACEMENT AMENDED APPLICATION CONTAINING THE INFORMATION REQUIRED BY THE SUA SPONTE ORDER AND IDENTIFIED IT AS THE "SINGLE OPERATIVE VERSION OF EPE'S AFFIRMATIVE FILIING IN THIS DOCKET"?

A. Yes. EPE submitted a complete replacement Amended Application filing package ("Amended Filing") on August 6, 2026. In addition to the Amended Application, the Amended Filing includes a complete set of all testimony, exhibits, schedules, workpapers, cost-of-service studies, models, proposed tariffs, rate calculations and supporting documents upon which EPE relies regardless of whether particular documents were previously filed and remain unchanged.

Pursuant to the Sua Sponte Order, the executive summary identifies the Amended Application as the single operative version of EPE's Affirmative Filing in this Docket. To avoid any confusion, EPE has also marked every page as "Amended Filing" to distinguish the operative Amended Application materials from the now replaced documents that were submitted with EPE's original filing.

Q11. PRIOR TO SUBMITTING THE AMENDED FILING, DID EPE CONDUCT A COMPREHENSIVE REVIEW SUFFICIENT TO ENSURE, TO THE EXTENT IT CAN BE REASONABLY KNOWN AT THIS TIME, THAT

THE FILING DOES NOT RELY UPON FUTURE REBUTTAL TESTIMONY OR CORRECTIONS?

A. Yes.

Q12. HAS EPE PROVIDED VERIFICATIONS BY AN EXECUTIVE OFFICER OF THE COMPANY AND EACH SPONSORING WITNESS WITH THE CONFIRMATIONS REQUIRED IN ORDERING PARAGRAPHS E(5) AND E(6)?

A. Yes. Amended Application Exhibit B is a verification of Mr. James Schichtl, an authorized offer of the Company, confirming that EPE has undertaken a comprehensive review of the Amended Application and supporting materials, and that, to the best of his knowledge, after reasonable inquiry, the Amended Application package is complete, accurate, internally consistent, and not known to require further correction or supplementation. Each EPE witness has also provided a verification attached to their respective testimonies, confirming that he or she has reviewed the amended testimony, exhibits, schedules, and workpapers sponsored by him or her, and that those materials are complete, accurate, internally consistent, and consistent with the Amended Application.

Q13. HAS EPE TAKEN ANY ADDITIONAL STEPS IN THE AMENDED APPLICATION TO RESOLVE AMBIGUITY AS TO THE OPPERATIVE DOCUMENTS?

A. Yes. As I stated above, EPE has also marked every page as "Amended Filing" to clearly distinguish the operative Amended Application materials from the now replaced documents that were previously submitted with the original filing.

Q14. DOES THE AMENDED FILING INCLUDE A "COMPREHENSIVE CORRECTION AND RECONCILIATION MATRIX" IDENTIFYING EVERY CHANGE REFLECTED IN THE AMENDED FILING?

A. Yes. The Matrix is attached as Amended Application Exhibit A. The Matrix identifies every error, omission, correction, replacement, or supplementation included in the Amended Filing.

Q15. DID EPE CARRY ALL IDENTIFIED CORRECTIONS THROUGH THE COMPLETE AMENDED FILING INCLUDING RATE DESIGN?

A. Yes.

Q16. HAS EPE'S REVENUE REQUIREMENT CHANGED AS A RESULT OF THE IDENTIFIED CORRECTIONS?

A. Yes. The identified corrections resulted in a very minor increase to the revenue requirement of approximately $85,000.

Q17. DOES EPE'S AMENDED FILING INCLUDE REVISED RATES TO FULLY RECOVER THIS MINOR INCREASE TO THE REVENUE REQUIREMENT?

A. Yes. Pursuant to the requirement in the Sua Sponte Order to confirm the Amended Filing documents are complete, accurate, and internally consistent, EPE ran the revenue requirement through rates and has included the proposed rates schedules in Schedules O-3 and O-4, sponsored by Manuel Carrasco. I have also included EPE's Proposed Tariffs as Exhibit GN-4 to my Direct Testimony, pursuant to Paragraph E(2) of the Sua Sponte Order requirement to include proposed tariffs. Exhibit GN-4 is consistent with the Schedule O-4 Workpapers sponsored by Mr. Carrasco.

Q18. WHAT IS EPE'S POSITION ON WHETHER A NEW ADVICE NOTICE IS REQUIRED?

A. EPE is not requesting to file a new advice notice with the proposed rates in the Amended Filing. The change in the Amended Filing is not material; it amounts to only 0.04% of the originally filed revenue requirement. At any rate, EPE accepts that the Commission cannot order rates higher than what were publicly noticed in Advice Notice No. 317.

Q19. HAS EPE PROVIDED ALL EXECUTABLE, NATIVE FORMAT WORKPAPERS, AND MODELS WITHOUT TECHNICAL LIMITATIONS?

A. Yes.

Q20. HAS EPE SUPPLEMENTED ALL DISCOVERY RESPONSES THAT WERE IMPACTED BY THE CHANGES IDENTIFIED ON THE MATRIX?

A. Yes. Tab B of the Matrix includes a complete listing of all 1,288 discrete questions that EPE has received in discovery. For each discrete question, EPE indicates whether supplementation was required by the Amended Application, or not. For those discovery responses that were not supplemented, EPE confirms that its prior responses are currently complete, accurate, and consistent with the Amended Application.

IV. OVERVIEW OF EPE'S APPLICATION

Q21. PLEASE SUMMARIZE EPE'S REQUEST.

A. EPE's filing is based on a twelve-month Base Period ending September 30, 2025, and a twelve-month Historical Test Year Period, as adjusted pursuant to Rule 530. The cost of service to serve New Mexico for the Test Year Period demonstrates the need for jurisdictional non-fuel and purchased power base revenue of $210.8

million, which represents an increase in non-fuel base revenue of $70.7 million, or an approximate increase of 50.5 percent over current base revenues. Combined with a $0.241 million decrease in other operating revenues resulting from proposed reductions to miscellaneous service charges, EPE is requesting a net operating revenue increase of $70.5 million.

Notable components of this rate case filing include**:**

- A requested Return on Equity of 10.7 percent and a proposed capital structure of 44.5 percent debt and 55.5 percent equity;
- A two-part, phased-in increase in non-fuel base rates for certain, specified rate classes including the residential rate class to cover a base rate revenue deficiency of $70.7 million;
- The incorporation of EPE’s capital investment since 2020 and EPE’s O&M expenses;
- The incorporation of annual capacity costs associated with the Commission-approved Carne Energy Storage Agreement ("ESA") and the Santa Teresa ESA currently being recovered through EPE’s Renewable Portfolio Standards (“RPS”) Cost Rider and the Buena Vista 1 Long Term Purchased Power Agreement (“BV 1 PPA”) in base rates;
- The incorporation of AMS Project costs being recovered pursuant to the AMS Rider into base rates including recovery of remaining investment in legacy

meters installed prior to December 31, 2019, being recovered pursuant to the AMS Rider into base rates;

- The recovery of EPE's investment in legacy meters installed after December 31, 2019, and removed from service to implement the AMS Project; and
- An increase in nuclear decommissioning expense for PVGS Units 1 and 2.

In addition, the following highlights key rate structures and retail tariffs designed to provide expanded pricing options and promote efficient use of energy:

- A new rate option for a proposed low-income rider to Rate No. 01 – Residential Service rate;
- New rate options to incentivize shifting of load from the on-peak to the off-peak period, including experimental off-peak demand rates to Rate No. 03 Small General Service Rate, and TOD demand rate to Rate No. 04 General Service Rate;
- A new residential peak time rebate program, Rate No. 52 Peak Time Rebate Pilot;
- Opening EPE's Rate No. 29 interruptible program to new customers;
- Two new large load tariffs, Rate Nos. 50 and 51, designed to introduce cost-shifting protections from the advent of large load customers; and
- A replacement to Rule 8 - Line Extension Policy, which includes four substantive changes to protect EPE's existing New Mexico customers from

potential costs of connecting large distribution customers and related changes to Rule 13 - Increase or Decrease of Connected Load.

Q22. WHAT ARE THE SIGNIFICANT FACTORS DRIVING EPE TO FILE A RATE CASE AT THIS TIME?

A. EPE's overall cost of providing service to New Mexico customers has increased significantly from the 2019 historical Test Year Period used for the 2020 Rate Case due to several contributing factors.

First, since January 1, 2020, EPE has made $408.4 million in capital investment to ensure safe and reliable service to its growing New Mexico customer load. EPE has experienced unprecedented extreme year-over-year spikes in retail load growth since its last rate case requiring significant investments in new and upgraded infrastructure to reliably serve that growth. In addition, expansion of electrification throughout EPE's New Mexico service territory and extreme hot weather events and trends are also contributing to retail load growth in New Mexico.

Second, EPE is seeking to update its authorized capital structure and return on equity to reflect current financial conditions and support investment-grade credit metrics.

Third, EPE is seeking to move Commission-approved AMS Program Costs out of the AMS Rider into base rate recovery, pursuant to the Commission's Order in Case No. 21-00269-UT. EPE is also seeking to include costs associated with the Santa Teresa, Carne and BV 1 battery energy storage systems that are or will be effective in the rate year (2027), which are substantially fixed under the terms of the Commission approved agreements.

Other significant factors contributing to filing this rate case include:

- EPE's wildfire mitigation efforts,
- issues from EPE's 2020 base rate case order, and
- inflationary pressures.

I discuss these factors later in my testimony.

Q23. DOES EPE'S APPLICATION MEET THE APPLICABLE REQUIREMENTS IN COMMISSION RULE 17.1.2.10(B)(2)?

A. Yes. The Amended Application includes the Notice to Customers issued by the Commission on April 27, 2026 that was mailed to customers by bill stuffer or email and published in the Las Cruces Sun-News on May 4, 2026. The notice addresses EPE's proposal to phase in recovery of base rates, for certain specified rate classes, and includes a statement comparing the proposed Phase 1 new rates with the present rates for each customer class and proposed Phase 2 new rates with Phase 1. It also provides the anticipated bills to residential customers under proposed Phase 1 and

Phase 2 rates at various usage levels pursuant to Rule 17.1.2.10(B)(2)(a).[1] The notice also states that the Commission might order significant changes to Rate No. 29 to make it more effective in reducing peak demand, in compliance with the Commission's Order in EPE's last rate case.

Pursuant to Rule 17.1.2.10(B)(2)(b), I identify "any extraordinary event or circumstances, known or projected, which materially alters [EPE's] operating or financial condition from the condition existing during the [EPE's] test period in its last rate case" in a later section of my testimony.

Q24. DOES EPE'S FILING INCLUDE COPIES OF AMENDED NOTICES FILED UNDER RULE 17.5.440(D) NMAC?

A. Yes. EPE has filed Rule 17.5.440 amended notices with the Commission for projects where the final amounts exceeded a +/- 20 percent variance from the original estimate. Pursuant to that rule, EPE has included copies of the Rule 440 Amended Filings for projects EPE seeks to recover in this case with the Application.

Q25. WHO ARE THE OTHER WITNESSES SUPPORTING EPE'S REQUESTS IN THIS CASE?

---

[1] These references to Phase 1 and Phase 2 new rates refer to the rates filed under Advice No. 317.

A. The other witnesses and their subject areas are as follows:

- **James Schichtl**, EPE's Vice President of Customer & Regulatory Solutions, provides an overview of EPE, its operations, and its strategic goals to achieve New Mexico's decarbonization mandates while remaining firmly anchored to our foundational responsibilities of delivering safe, reliable, and affordable electricity.

- **Cynthia S. Prieto**, EPE's Vice President and Controller, addresses EPE's plant in service and accumulated depreciation and amortization in rate base, together with related adjustments. She sponsors EPE's total Company rate base and discusses schedules and adjustments to other base rate items. In addition, she presents EPE's general capital additions, depreciation expense, and PVGS revaluation. She also addresses COVID-19 expenses, the uncollectible expense and provision for FERC rate refund revenue adjustments. Finally, she also discusses EPE's compliance with regulatory commitments resulting from EPE's merger with Sun Jupiter Holdings LLC ("Sun Jupiter"), an indirect subsidiary of IIF US Holding 2 LP ("IIF").

- **Richard S. Gonzalez**, EPE's Treasurer, discusses EPE's capital structure and cost of capital, financing plans, and the importance of maintaining EPE's bond ratings. Mr. Gonzalez also presents the funding necessary for EPE's Nuclear Decommissioning Trust ("NDT").

- **Steven A. Sierra**, EPE's Director of Financial Accounting, discusses accounting rules; summarizes EPE's total Company revenue requirement; and specifies the New Mexico rate increase. He sponsors and describes expense and revenue adjustments that EPE has made to the Base Period to derive the Test Year Period cost of service. Mr. Sierra also sponsors and supports schedules related to payroll, pensions and benefits, and accounting information. Mr. Sierra affirms that EPE's Rule 530 schedules have been prepared from EPE's books and records, which are audited by an independent accounting firm in accordance with the FERC Uniform System of Accounts.

- **Jennifer E. Nelson**, Assistant Vice President of Concentric Energy Advisors, Inc., presents and supports the Return on Equity ("ROE") rate necessary for EPE to provide a reasonable return to its equity investors. Ms. Nelson also assesses the reasonableness of EPE's capital structure. As Ms. Nelson testifies, the recommended ROE of 10.7 percent considers a variety of factors that affect the required return.

- **Joseph S. Weiss**, Assistant Vice President of Concentric Energy Advisors, Inc., presents and supports the lead-lag study used to determine the Company's cash working capital requirements.

- **Julissa I. Reza**, EPE's Manager of Regulatory Accounting, supports certain schedules and Test Year Period adjustments made to Base Period expenses and rate base, related to fuel and purchased power expense, regulatory commission expense, and regulatory assets and liabilities. In addition, she presents and supports the analysis of the 12-month rolling average component of EPE's fuel adjustment factor pursuant to the Final Order in EPE's last fuel reconciliation filing in NMPRC Case No. 23-00046-UT.

- **Lori A. Glander**, Vice President, Decommissioning Services at TLG Services, Inc., presents the most recent decommissioning cost analysis, which provides the estimated costs associated with the shutdown of PVGS beginning in 2045. Ms. Glander summarizes the result of the updated analysis and identifies major changes from the previous estimate.

- **John J. Spanos**, President with Gannett Fleming Valuation and Rate Consultants, LLC, presents and supports the depreciation study and depreciation rates for all of EPE's assets.

- **Tamera L. Henderson**, Director of Tax with EPE, addresses the federal and state income taxes included in EPE's requested cost of service and rate base. She also addresses taxes other than income taxes.

- **Victor Martinez**, EPE's Director of Energy Resources, supports PVGS O&M expenses and capital projects that have been placed in service since EPE's prior rate case through the Test Year Period in this proceeding. He also discusses the efficient capital cost management approach taken at Palo Verde. Mr. Martinez also addresses the capacity costs associated with the BV 1 PPA, Santa Teresa and Carne BESS facilities in support of EPE's proposal to move these costs into base rates. Finally, he also describes EPE's energy management system ("EMS") upgrade and other investments.

- **Jeffery M. Hughes**, EPE's Newman Power Plant Manager, describes EPE's local generation and supports recovery of the costs of new investments in that fleet and the costs to operate and maintain it. Mr. Hughes also addresses the reasonableness and prudence of the capital additions and improvements for the local generation fleet, as well as the O&M expenses and practices that EPE employs to manage its local generation resources.

- **Omar A. Gallegos**, Vice President of Energy Delivery, presents and explains EPE's transmission and distribution plant additions placed in service since the 2020 Rate Case through the Base Period, including test year period adjustments. He demonstrates that all costs related to EPE's transmission and distribution plant additions are reasonable, necessary, prudent, and used and useful for safe, reliable, and efficient service to New Mexico customers. He also sponsors O&M expenses for transmission and distribution, legacy meter plant installed after December 31, 2019, and EPE's replacement Line Extension Policy and Rule 8 of EPE's Rules and Regulations section of EPE's tariffs.

- **Enedina Soto**, Manager of EPE's Economic Research Department, provides EPE's historical and forecasted sales and demand data in support of EPE's rate request. She describes the load research function and its role in gathering the energy and demand data necessary for assigning costs to rate classes, including the development of allocation factors. Ms. Soto also supports EPE's system loss study and the proposed weather normalization adjustment.

- **Adrian Hernandez**, Supervisor of Revenue Requirements and Cost Analysis for EPE, describes EPE's cost of service model and presents the New Mexico jurisdictional cost of service and class cost of service studies that support EPE's revenue requirement request and rate design proposals, including an illustrative cost of service study that includes a reopened Rate 07 rate class.

- **Rene Gonzalez**, Supervisor of Rates and Regulatory for EPE, addresses adjustments to base rate revenues for annualized billing determinants, including adjustments for weather and energy efficiency savings. Mr. Gonzalez also supports EPE's lamp lighting cost of service and rate design and discusses revisions to EPE's miscellaneous service charges.

- **Manuel Carrasco**, Manager of Rate Research for EPE, addresses EPE's rate design proposals that all classes move to full cost of service. He details the revenue distribution by rate class, including the Company's proposal for phased-in rate increases for certain rate classes. Mr. Carrasco also provides an evaluation of the impact of EPE's rate proposals on certain customers and discusses rate-related revisions to EPE's rate schedules. Finally, Mr. Carrasco provides an opt-out time of day rate design proposal, a peak time rebate tariff proposal, and presents the proposed large load tariffs.

V. OVERVIEW OF EPE

Q26. PLEASE DESCRIBE EPE.

A. EPE is a vertically integrated utility providing bundled service to approximately 472,927 retail customers (approximately 111,000 in New Mexico) in a 10,000 square mile area of the upper Rio Grande valley in southern New Mexico and west Texas. Its service territory extends from Hatch, New Mexico, to Van Horn, Texas, and includes two interconnections to Ciudad Juárez, Mexico, and the Comisión Federal de Electricidad, Mexico's national electric utility. The Company also serves Rio Grande Electric Cooperative as a full requirements wholesale customer subject to FERC jurisdiction.

EPE provides service to customers in the following incorporated cities, towns and villages in New Mexico: Anthony, Las Cruces, Sunland Park, Mesilla and Hatch. Additionally, it serves customers in the unincorporated areas of Doña Ana County and portions of the unincorporated areas of Luna, Otero and Sierra Counties. Its retail customer mix in New Mexico, based on number of customers, is approximately 88.2 percent residential, 10.3 percent small commercial, less than 1.0 percent medium and large commercial/industrial, and 1.5 percent other public authorities. EPE also serves military installations, including Holloman Air Force Base, White Sands Missile Range, and Ft. Bliss Army base.

Q27. WHAT IS THE GROWTH TREND IN EPE'S NEW MEXICO SERVICE TERRITORY SINCE EPE'S LAST RATE CASE?

A. EPE's New Mexico service territory has experienced meaningful demographic and economic growth in recent years. U.S. Census Bureau data show that Doña Ana County's population has increased by approximately six percent over the past decade. U.S. Bureau of Economic Analysis data show that Doña Ana County's Gross Domestic Product has grown by approximately 63 percent since 2013.

Within EPE's New Mexico footprint, the Santa Teresa border and industrial corridor is a notable driver of regional growth, supported by increasing cross-border trade activity and continued investment in logistics and manufacturing. The Santa Teresa port of entry is the busiest land port on the New Mexico - Mexico border. According to the U.S. Bureau of Transportation Statistics, it accounts for nearly 60 percent of New Mexico's personal vehicle crossings and just over 90 percent of the state's truck crossings. Santa Teresa's industrial base has been cited as accounting for nearly 70 percent of New Mexico's exports, and 2024 was described as a record year for the corridor amid rising commercial traffic. Santa Teresa is also a growing community, with approximately 6,000 residents and a median household income of approximately $60,759. I address the impact of this growth on EPE's rate case in a later section of my testimony.

VI. FACTORS AFFECTING EPE'S COST OF SERVICE AND REVENUE REQUIREMENTS

Q28. WHAT TOPICS ARE YOU ADDRESSING IN THIS SECTION OF YOUR TESTIMONY?

A. This section of my testimony describes extraordinary events and circumstances which have materially altered EPE's operating or financial condition from the conditions existing during the 2019 Test Year Period used in EPE's last general rate case, pursuant to Rule 17.1.2.10(B)(2)(c)(ii). These events and circumstances have contributed to EPE's higher cost of service since 2019 and are driving the need for this rate case.

Q29. WHAT CIRCUMSTANCES HAVE MATERIALLY CHANGED IN EPE'S OPERATING AND FINANCIAL CONDITIONS SINCE THE COMPANY'S LAST RATE CASE?

A. As noted earlier in my testimony, EPE has experienced substantial demographic and economic growth in its New Mexico service territory resulting in the need for significant investments necessary for EPE to serve its New Mexico customers. EPE has also been impacted by legislative changes implemented since EPE's last rate case. As a result of the 2019 amendments to the Renewable Energy Act, EPE's RPS obligations have increased from 15 percent to 40 percent since the 2019 Base Period. EPE witness Victor Martinez addresses the changes to EPE's resource mix to meet those renewable energy obligations. As reported in EPE's last RPS Report (filed May 1, 2025), EPE's renewable energy portfolio supplied 20 percent of its retail energy sales to New Mexico customers in 2024, meeting the 20 percent RPS target for that year. Based on preliminary accounting data, EPE anticipates its renewable energy portfolio will also supply sufficient energy in 2025 to meet the 40 percent RPS target.

Pursuant to New Mexico's 2020 Grid Modernization legislation, EPE has replaced analog and digital retail electric meters (i.e., legacy meters) with an advanced metering system ("AMS"). Other state and federal legislation, notably Section 62-8-12 of the Public Utility Act (requiring utility plans to expand transportation electrification) and the federal Inflation Reduction Act of 2022 ("IRA"), have materially changed EPE's operating and financial conditions.

Additionally, EPE joined the western Energy Imbalance Market ("EIM") on April 5, 2023.

Q30. ARE THERE OTHER FACTORS THAT ARE INCREASING EPE'S COST OF SERVICE?

A. As described above, the main factor that is driving costs is customer load growth. As customer load growth increases investments have to be made in EPE's overall system from generation to transmission and distribution ("T&D").

A. RETAIL LOAD GROWTH

Q31. PLEASE PROVIDE AN OVERVIEW OF SYSTEM LOAD GROWTH SINCE EPE'S LAST GENERAL RATE CASE?

A. EPE has recently faced historic levels of system peak load volatility and higher year-over-year native system peak growth. Please see Table GN-1 below for recent trends in native system load growth. It should be noted that before 2020, the highest year-over-year peak growth ever seen by EPE on its system was 98 MW. As can be seen from the table below, over the past several years, that previous year-over-year record has been surpassed three times (in 2020, 2022, and 2023) and almost doubling the previous record in 2020 and 2023.

Table GN-1

YEAR	MW	MW Growth	Percentage Growth
2020	2,173	188	9.5%
2021	2,051	-122	-5.6%
2022	2,201	150	7.3%
2023	2,384	183	8.3%
2024	2,316	-68	-2.9%
2025	2,325	9	0.4%

Q32. WHAT ARE THE PRIMARY CONTRIBUTORS TO THIS LOAD GROWTH?

A. Although EPE continues to provide and grow its programs and offerings that allow customers to shift their load from on-peak to off-peak periods, EPE's service territory is still seeing significant load growth. EPE has been witnessing strong customer count growth, higher customer energy usage (particularly in residential usage per customer), and warmer weather trends that have increased electricity usage from weather-sensitive customers. EPE expects to continue to see customer growth and growth in residential usage per customer as customers migrate from evaporative to refrigerated air cooling. Refrigerated air cooling uses much more energy and load than evaporative air units. It should be noted that EPE, like many parts of the country, has considerable interest from large data center customers in interconnecting to its system, and that load is not captured in the above table. The above table highlights only EPE's existing customers and that does not yet include any large data center.

Q33. HOW HAS EPE MANAGED COSTS SINCE THE 2020 RATE CASE?

A. Since EPE's last general rate case in 2020, EPE's management has shepherded the Company through a period of needed high infrastructure growth while keeping Company non-fuel O&M expenses below inflation-adjusted amounts. Please see the direct testimony of EPE witness Steven Sierra for EPE's detailed O&M expense trend for the past several years.

Q34. IS EPE MAKING CAPITAL INVESTMENTS TO ACCOMMODATE THE LOAD INCREASE?

A. Yes. EPE has invested approximately $2.4 billion ($408.4 million on a New Mexico jurisdictional basis) in new electric plant to meet load growth and to maintain and improve its electric system. EPE witnesses Gallegos, Hughes and Martinez explain and support these investments in more detail in their direct testimony.

EPE witness Prieto includes a list of all plant additions that EPE made from January 1, 2020, through October 31, 2025. Total Company plant additions for this period were approximately $2.4 billion. The allocation of the net plant balance at the end of the Test Year Period to the New Mexico jurisdiction is discussed by EPE witness Adrian Hernandez. EPE continues to see significant growth on its system coming from strong customer growth and increasing usage per customer from its residential customers. As discussed by EPE witnesses Sierra and Richard Gonzales and supported by EPE expert witness Jennifer E. Nelson, the growth in capital investment and the need for EPE to recover its investment and a fair return on its investment are driving the need for this case. As described above, while rate base has indeed grown since EPE's last general rate case, non-fuel O&M expenses have remained relatively flat under the guidance of EPE's executive leadership team.

B. RENEWABLE ENERGY TRANSITION

Q35. FOR CONTEXT CAN YOU PROVIDE A BRIEF OVERVIEW OF ADDITIONS TO EPE'S RENEWABLE ENERGY PORTFOLIO SINCE EPE'S LAST RATE CASE?

A. There have been several recent generation portfolio additions as well as planned resources in the near future that move EPE towards achieving New Mexico's clean energy goals. These additions are materially changing EPE's resource mix and allowing EPE to be compliant with the New Mexico RPS.

Highlights include the addition of the Buena Vista facilities that include the Buena Vista 1 100 MW solar and 50 MW battery storage facility, and the Buena Vista 2 20 MW solar facility that became operational on July 11, 2023. In addition, EPE anticipates the addition of two new renewable resources in 2026. The Santa Teresa Project is a large-scale renewable energy facility comprised of 150 MW of solar photovoltaic generation paired with 150 MW of battery energy storage system ("BESS"). The Carne Project is a major renewable energy and storage initiative dedicated to serving EPE's New Mexico customers consisting of a 130 MW solar photovoltaic facility paired with a 65 MW BESS. EPE is also adding renewable resources for its Texas jurisdiction, highlighting the Company's commitment to renewable energy throughout its service territory. Please see the direct testimony of EPE witnesses Martinez and Hughes for additional details regarding EPE's energy portfolio.

Q36. WITH THESE ADDITIONS, IS EPE POSITIONED TO MEET NEAR TERM RPS TARGETS?

A. Yes. EPE met the 2024 RPS target to provide 20 percent of the retail energy sales to New Mexico customers with renewable resources in 2024 and met the 2025 RPS target to provide 40 percent of retail energy sales to New Mexico customers with renewable resources. The addition of the Carne and Santa Teresa projects positions EPE to continue meeting or exceeding the 40 percent RPS target through 2029.

Q37. PLEASE DESCRIBE EPE'S PROPOSAL TO INCLUDE CAPACITY COSTS ASSOCIATED WITH THE BV 1 PPA IN BASE RATES.

A. EPE is seeking to include the annual capacity costs associated with the BV 1 PPA, which was approved by the Commission in Docket No. 19-00348-UT, in base rates. Please see the direct testimony of EPE witness Martinez who addresses and supports the reasonableness of these capacity costs. EPE witness Julissa Reza supports recovery of the deferred capacity costs that EPE has already incurred since the facility began operations in 2023.

Q38. IS EPE'S PROPOSAL TO INCLUDE BV 1 PPA ANNUAL CAPACITY COSTS CONSISTENT WITH THE FINAL ORDER IN CASE NO. 19-00348-UT?

A. Yes. The Final Order approved the recommended decision in Case No. 19-00348 with regard to recovery of costs. The recommended decision stated the following: "*EPE should file to recover these capacity costs in its upcoming base rate case*." EPE's proposal to include these annual capacity costs in base rates is consistent with the above language in the final order approval.

Q39. IS EPE ALSO PROPOSING TO INCLUDE CAPACITY COSTS RELATED TO THE SANTA TERESA PROJECT ESA AND CARNE ESA IN BASE RATES?

A. Yes. The Final Order approving EPE's REA Plan for 2026 (Docket No. 25-00038-UT) ordered that "EPE shall address the cost recovery mechanism used for the STP in EPE's next general rate case." EPE is proposing to move the annual capacity costs related to the Santa Teresa Project ESA into base rates, pursuant to that regulatory requirement. For consistency, EPE is requesting similar treatment for the capacity costs related to the Carne ESA. EPE witness Martinez supports the reasonableness of these costs in his direct testimony.

Q40. IS EPE PROPOSING A COST RECOVERY MECHANISM FOR ENERGY COSTS RELATED TO THE SANTA TERESA PROJECT PPA IN THIS CASE?

A. EPE proposes that the Commission wait to address energy costs related to the Santa Teresa Project PPA until EPE's upcoming REA Plan Filing. In that filing, EPE intends to seek Commission approval to move energy costs incurred under the Santa Teresa Project PPA and other RPS Procurements to EPE's fuel and purchased power cost adjustment clause ("FPPCAC").

C. ADVANCED METERING SYSTEM

Q41. PLEASE PROVIDE A BRIEF OVERVIEW OF EPE'S AMS PROGRAM.

A. EPE's AMS Project was approved by Commission Final Order in Docket No. 21-00269-UT as a grid modernization project to replace EPE's analog and digital retail electric meters ("legacy meters") with advanced meters that record more granular consumption data, enable two-way communication, and include other functionality including remote turn-on and turn-off capability. The AMS Project also includes implementation of a secure and reliable communications network that supports two-way data flow and implementation of support systems, including a head-end system and meter data management system.

Q42. WHAT RATEMAKING PRINCIPLES AND TREATMENT RELATED TO THE AMS PROJECT WERE DETERMINED IN THE AMS PROCEEDING?

A. The Commission Final Order approved EPE's estimated AMS Project Cost for New Mexico of $35,425,986 (capital costs and customer education expenses) and estimated New Mexico ongoing O&M expenses of $323,898 in 2022 and $5.1 million over a 10-year period ($4.5 million of ongoing O&M and $0.6 million of customer education expenses).

The AMS Final Order also approved EPE's Rate No. 46 AMS Rider and NM AMS cost of service ratemaking methodology for recovery of the AMS Project estimated operating expenses and actual capital costs, subject to reconciliation and true up to actual costs. Additionally, with each new base rate case, EPE is obligated to incorporate all capital investment and O&M expenses and savings associated with the AMS Project being recovered pursuant to the AMS Rider into base rates.

Q43. DID THE COMMISSION'S FINAL ORDER IN THE AMS CASE ADDRESS RECOVERY OF STRANDED ASSETS?

A. Yes. The unanimous and unopposed stipulation adopted by the AMS Final Order authorizes EPE to recover the undepreciated investment in legacy meter plant installed prior to the end of the 2019 (which was the Historical Test Year Period for EPE's 2020 Rate Case) but not a return on that plant. To prevent double recovery of amounts already reflected in rates, the AMS Rider reflects a credit for the return component of and return on legacy meters removed from service as of the end of the prior calendar year, based on the Commission-approved cost of capital.

The AMS Final Order does not address EPE's investment in legacy plant installed after December 31, 2019. Rather, the AMS Final Order adopted the parties' agreement that any legacy meter investment made after December 31, 2019, would be addressed in a future general rate proceeding.

Q44. WHAT IS THE STATUS OF THE AMS IMPLEMENTATION?

A. EPE completed implementation of the AMS Project in July 2025, with system deployment and operational integration substantially complete across the New Mexico service territory. There was some remaining work after July 2025 limited to a small number of meter exchanges involving locations with complex access constraints, which required customer coordination to safely access the meter. There was also limited work related to customers who opted out of an AMS meter, however, all of that work was completed by early December 2025.

Q45. WHAT APPROVALS IS EPE SEEKING IN THIS FILING REGARDING RATE TREATMENT OF AMS COSTS?

A. Consistent with the AMS Final Order, EPE is requesting approval to transition recovery of AMS project costs from the AMS Rider to base rates. These costs include total capital costs incurred, including AFUDC, through the September 30, 2025, Base Period, and Test Year Period O&M.

Q46. ARE ANY ADJUSTMENTS REQUIRED TO EFFECTUATE THE STIPULATED RATEMAKING TREATMENT FOR LEGACY METERS IN SERVICE AS OF 2019?

A. Yes. EPE is requesting that the associated recovery and crediting methodology currently being done in the AMS rider for the legacy meters installed before January 1, 2020, be replaced by moving the recovery of these costs into base rates. The Direct Testimony of EPE witness Prieto addresses EPE's proposed rate treatment of these costs whereby these costs will be recovered under the existing ongoing 10-year amortization schedule and will not be included in EPE's requested rate base, consistent with the stipulated rate treatment ordered in the AMS proceeding.

Q47. IS EPE PROPOSING THE SAME RATEMAKING TREATMENT FOR THE REMAINING UNDEPRECIATED INVESTMENT IN LEGACY METER PLANT FOR METERS INSTALLED AFTER DECEMBER 31, 2019?

A. Yes. EPE requests the same ratemaking treatment for undepreciated investment in legacy meter plant installed after January 1, 2020, that the Commission gave for legacy meters installed up to December 31, 2019. EPE witness Gallegos supports the reasonableness of EPE's investment in legacy meter plant from January 1, 2020, through December 31, 2023, and EPE witness Prieto supports the ratemaking requests.

Q48. WILL EPE CONTINUE USING THE AMS RIDER AFTER THIS CASE?

A. Yes. Pursuant to the Stipulation, EPE is only requesting recovery of AMS costs (capital and O&M) through the end of the September 2025 Test Year Period. EPE's most recently updated AMS rider, filed January 31, 2026, is expected to be effective in March 2026. This continues the normal process for annual updates to EPE's AMS rider.

EPE's next Revised AMS Rider is required to be filed by January 31, 2027, to update actual AMS project plant placed in service through December 2026, including AFUDC, and to reconcile actual project costs and revenues for 2026. If a Final Order is issued in this proceeding allowing new base rates to take effect prior to the January 2027 AMS Rider update, EPE will also include additional adjustments for consistency with the Final Order issued in this proceeding. In a perfect regulatory world, the revised base rates from this proceeding and the 2027 AMS Rider update will be synchronized to be in effect at the same time.

Q49. IS EPE MAKING ANY OTHER PROPOSALS RELATED TO THE AMS IMPLEMENTATION IN THIS CASE?

A. No.

D. EXTREME WEATHER AND RESILIENCY

Q50. CAN YOU ELABORATE ON THE RECENT UNPRECEDENTED PERIODS OF EXTREME WEATHER YOU MENTIONED EARLIER?

A. Yes. Since EPE's last general rate case, EPE has served its customers during periods of extreme windstorms and extreme hot weather.

Figure GN-1 below shows the total cooling degree days during the period of 1950 through the end of September 2025 for EPE's New Mexico service territory. In recent years, the region experienced two consecutive years of extreme above-average temperatures. In 2023, a total of 2,614 cooling degree days ("CDDs") were recorded in Las Cruces, the fourth highest since 1950. This warming trend continued into 2024, with 2,639 CDDs, marking the second-highest during the same time period. 2025 saw cooler conditions, with 1,963 CDDs recorded through September, compared with 2,496 in 2024 and a ten-year average of 2,161.

/

/

/

/

/

Figure GN- 1: Total Cooling Degree Days (CDDs)

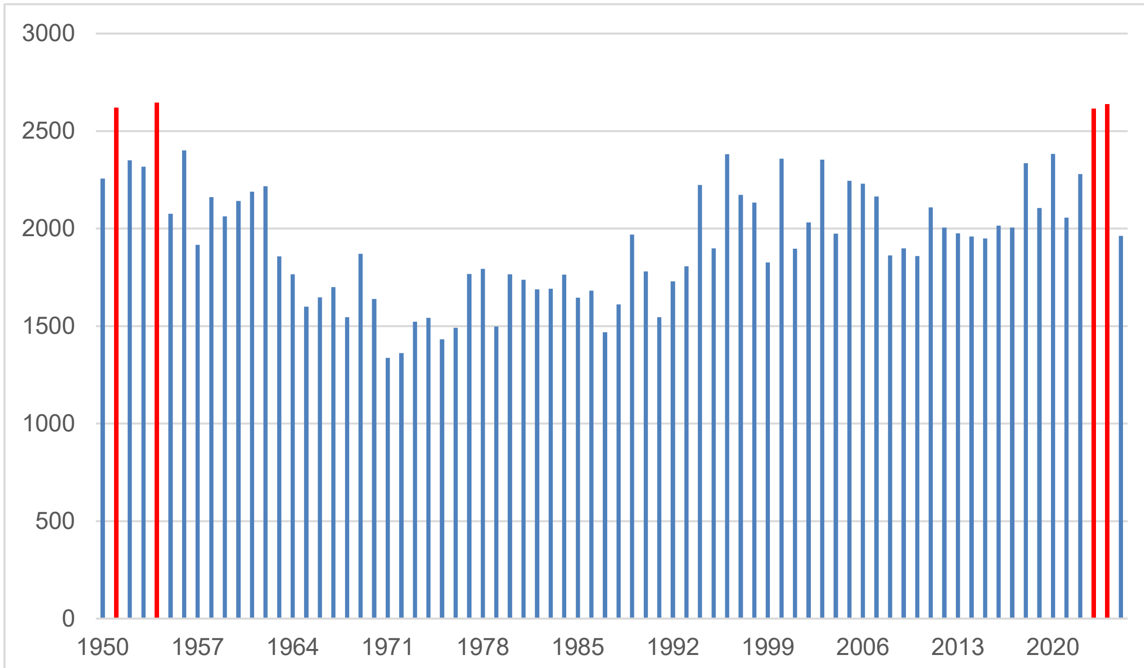


Figure GN-2 below illustrates the longest streak of consecutive days with temperatures at or above 100°F, covering the same period of 1950 to the end of September 2025. In 2023, there was a record-breaking streak of 34 consecutive days at or over 100°F, which was 18 days longer than the previous record of 16 consecutive days observed in 2020.

/

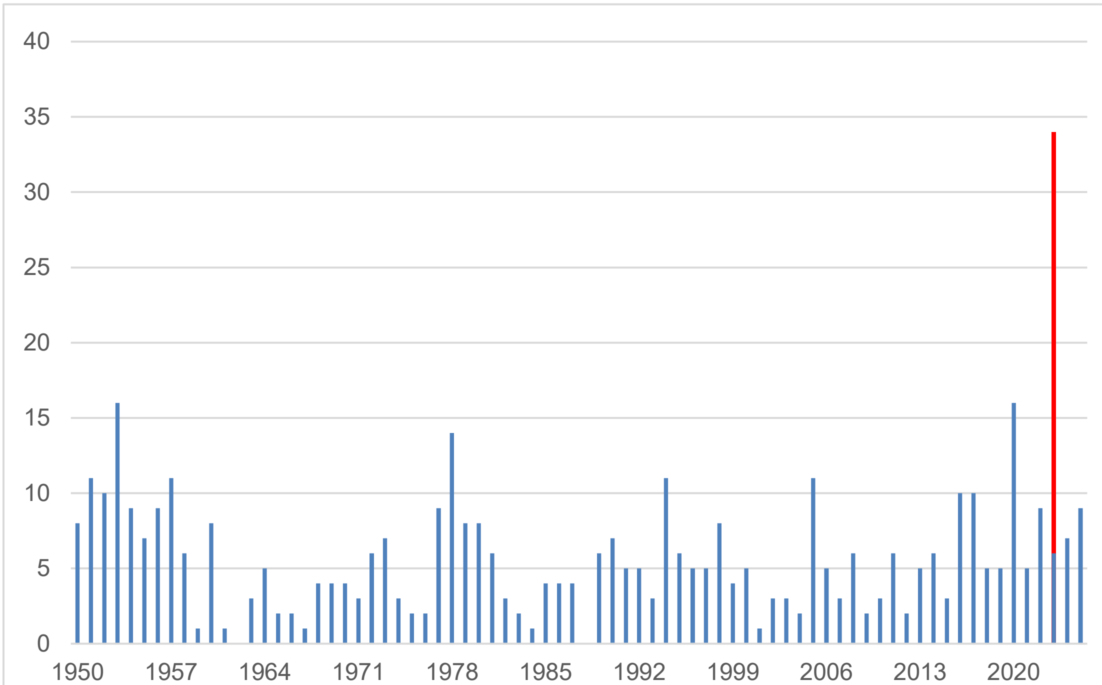
/

/

/

/

Figure GN-2: Consecutive Days at/or Over 100°F



Q51. HOW DID EPE'S LOCAL GENERATION PERFORM DURING THIS RECENT EXTREME WEATHER?

A. Local generation performed very well. EPE monitors the performance of these units using two key indicators: (1) net heat rate and (2) equivalent availability factor ("EAF"). Both net heat rate and EAF are industry-accepted measurements of generating unit performance. As an indicator of performance, EAF takes into account all events that affect availability, rather than focusing on a single type of event. EAF provides a clear indication of overall unit availability for a given period. Since EPE's last general rate case, EPE has continued to achieve consistently high levels of availability during the summer peak periods (June through September), when availability matters the most to EPE's customers and when EPE sees the most extreme hot weather as well. For a detailed discussion on EAF as well as the associated EAF results, please see the Direct Testimony of EPE witness Hughes.

Q52. HOW HAS EPE'S GRID PERFORMED IN EXTREME CONDITIONS?

A. As a result of decisions leading to adequate investment and maintenance, EPE's distribution system has performed in an exemplary manner relative to other utilities in New Mexico. This includes very limited distribution-level power interruptions during the 2023 extreme hot weather described above. EPE regularly appears at the top of New Mexico utilities for the lowest outage duration and frequency, which EPE witness Gallegos discusses in his testimony.

EPE's distribution system has also dependably served its customers during major windstorms. EPE has witnessed storms where wind speeds surpassed hurricane levels. Mr. Gallegos provides more details on design and planning of EPE's system to withstand high wind events, weather-related events, and wildfire conditions.

This includes the AIP wood-to-steel structure hardening project, part of EPE's ongoing wildfire mitigation efforts that reduce the likelihood of prolonged outages and positions EPE to better serve its customers and respond to the evolving climate challenges.

E. EPE'S 2020 RATE CASE ORDER AND OTHER COMPLIANCE ISSUES

Q53. HOW DOES THE 2020 RATE CASE ORDER IMPACT THIS FILING?

A. Utility rates are adjusted through rate cases to recover the cost of service. Unfortunately, EPE's current base rates put in place by the 2020 Rate Case Final Order are under recovering EPE's revenue requirement. The under-recovery of costs has intensified since the end of the 2020 Rate Case Test Year Period in light of EPE's significant capital expenditures presented in this filing and adds to the reasons for the substantial revenue requirement deficiency presented in this case. EPE is proud to provide safe, reliable, and efficient service to New Mexico customers and to continue recent success in meeting obligations under the REA. However, the Commission's support, including authorization of just and reasonable rates that align with the statutory mandate to allow EPE to recover its costs and earn a reasonable return on equity, is essential for EPE to continue its high standard for service quality and to provide a solid financial foundation to move forward with the investments needed to achieve RPS targets.

The ROE approved in EPE's last rate case was one of the lowest ROEs in the country. EPE witnesses Nelson and Richard Gonzalez describe in detail how the Commission's decision with respect to ROE and capital structure significantly impact EPE's ability to meet its investment goals in the future. In turn, better support with respect to rate of return and capital structure investment from the

Commission can lead to better financial results to EPE's customers in the form of reduced debt costs that can result in lower rates. As a result of more positive support of its filed ROE and capital structure requests, rating agencies may assign higher ratings, which could allow EPE to secure improved financing options, rates, and terms. Ultimately, this helps EPE's customers by reducing debt costs.

Q54. PLEASE PROVIDE A BRIEF PROCEDURAL OVERVIEW OF EPE'S 2020 RATE CASE.

A. On May 29, 2020, EPE filed its Application for Revision of Retail Electric Rates with a request for an annual net increase in non-fuel base revenues of approximately $6.879 million. That net increase was later adjusted to a total operating revenue deficiency of $4.7 million. After hearing, the NMPRC Final Order on June 23, 2021, provided for: (i) an annual non-fuel rate decrease of approximately $3.3 million and (ii) a return on equity of nine percent, which at the time was the lowest authorized ROE in the country.

On appeal, the New Mexico Supreme Court vacated and annulled the Commission's Final Order. The Court's non-precedential order held that the Final Order violated EPE's due process rights on several legal grounds.

The Court remanded the matter back to the Commission for a new final order consistent with the Court's decision. The Commission issued a remand order that resulted in an approximate $500 thousand annual revenue increase. However, the NMPRC order on remand implemented new rates only from the date of the remand order, not from the date of the unlawful 2020 Rate Case Final Order. The issue of whether those costs are recoverable is now pending a decision from the New Mexico Supreme Court in a second appeal. Depending on the outcome, that Appeal could result in additional base rate revenues of $1,064,273 that EPE would request in a future advice notice.

Q55. ARE THERE COMPLIANCE REQUIREMENTS FROM EPE'S LAST RATE CASE THAT ARE BEING ADDRESSED IN THIS CASE?

A. Yes. The 2020 Rate Case Final Order identifies several rate design items for EPE to address in its next general rate case. I have provided Exhibit GN-1 attached to my direct testimony, listing these compliance requirements and the EPE witness who addresses each requirement.

Q56. ARE THERE COMPLIANCE REQUIREMENTS FROM OTHER COMMISSION CASES THAT ARE BEING ADDRESSED IN THIS CASE?

A. Yes. My Exhibit GN-1 also lists compliance requirements from other Commission cases and the EPE witnesses who address each requirement.

Q57. HAS EPE ADDRESSED THE COMMISSION'S REQUEST IN THE ORDER DENYING EPE'S PETITION FOR VARIANCE IN CASE NO. 20-00104-UT?

A. Yes. Ordering Paragraph C of the Commission's Order Denying Petition for Variance, issued after the 2020 Rate Case Final Order, directs EPE to *"include a proposal for an opt-out TOD-rate design in EPE's next base rate case application filing. In the alternative, EPE may include such a proposal in a stand-alone application filing made before EPE's next base rate case application filing*."

EPE witness Carrasco has provided an opt-out TOD rate design consistent with that Order, but EPE is recommending it be adopted as an opt-in TOD rate to avoid interference with EPE's ongoing Time Varying Rate ("TVR") Pilot Program. EPE urges the Commission to allow EPE to complete the ongoing TVR Pilot Program and to defer consideration of mandatory opt-out TOD rates to a future proceeding. If the Commission orders mandatory opt-out TOD rates now, before EPE has completed the TVR Pilot Program, EPE requests authorization to establish an accounting order to record a potential shortfall in the recovery of the Commission-approved revenue requirement. Additional support for this request is presented in Mr. Carrasco's Direct Testimony.

Q58. WHY IS IT IMPORTANT FOR THE COMMISSION TO DEFER CONSIDERATION OF OPT-OUT TIME OF DAY RATES UNTIL THE TVRPP IS COMPLETE?

A. As part of the Commission-approved Stipulation in Docket No. 21-00269-UT, EPE worked with stakeholders following approval of EPE's AMS to develop a pilot rate program that enables customer use of AMS and present the pilot rate program. The TVRPP designed through that process was approved in Docket No. 24-00113 -UT in February of 2025 and is ongoing. The data gathered through the pilot will inform the creation of a successful company-wide rate design in the future that both helps EPE's residential and small commercial customers to have the opportunity to realize bill savings and allows EPE to defer or avoid generation, transmission and distribution capacity investments, saving costs for customers and leading to lower electric rates in the future than would otherwise be needed.

The AMS Stipulation, approved by the Commission, contemplates that EPE will present and seek approval to adopt permanent rate options after evaluation of the results to inform which of the piloted options were well accepted by the participants and will be effective in reducing usage or shifting usage to off-peak hours. Implementing a jurisdiction-wide mandatory opt-out rate option now would bypass the ongoing TVR pilot study, which will help inform and ensure proper rate design and customer price signals in order to maximize potential bill savings for customers and allow EPE to defer or avoid generation, transmission and distribution capacity.

F. INFLATION

Q59. PLEASE DESCRIBE THE RECENT INFLATIONARY PRESSURES WITNESSED NATIONALLY AND AT THE STATE LEVEL AND EXPLAIN HOW EPE'S RATES COMPARE TO THEM.

A. Inflation has been a defining economic issue since 2020, shaped by a range of global and domestic factors. The pandemic's disruptions to supply chains, combined with fiscal stimulus measures and a surge in consumer demand, have created persistent upward pressure on prices. As the economy adjusted to these changes, inflationary pressures have impacted most sectors, driving up costs for consumers across goods and services. EPE and its management team, like other utilities and sectors, have experienced global supply chain issues such as longer lead times for material, parts, and equipment orders. These issues have driven up pricing globally, and EPE was not immune to these pricing pressures.

Prices for essential goods and services have risen significantly since 2020. Year-over-year growth in the U.S. Consumer Price Index ("CPI") peaked in June 2022, reflecting a 9.1 percent year-over-year increase, before gradually declining in the months that followed. The New Mexico CPI followed a similar pattern, peaking midway through 2022 with an increase of 10.2 percent year-over-year in

July. Currently, both the U.S. and New Mexico CPIs have stabilized, showing more moderate growth rates as inflationary pressures have eased, showing a 3.0 percent year-over-year increase nationally and 2.5 percent year-over-year increase regionally, as of September 2025.

Nationally, according to the U.S. Bureau of Labor Statistics, the U.S. CPI shows that prices rose by 25.9 percent between January 2020 and September 2025. Regionally, according to S&P Global, the New Mexico CPI shows that prices in New Mexico increased by 25.0 percent over the same period. In contrast, the base electricity prices for El Paso Electric's New Mexico customers experienced only moderate increases during this time. From 2020 to 2025 in September, the average base cents per kWh for all New Mexico customers increased by 2.7 percent, while the increase for residential customers was 5.4 percent.

/

/

/

/

/

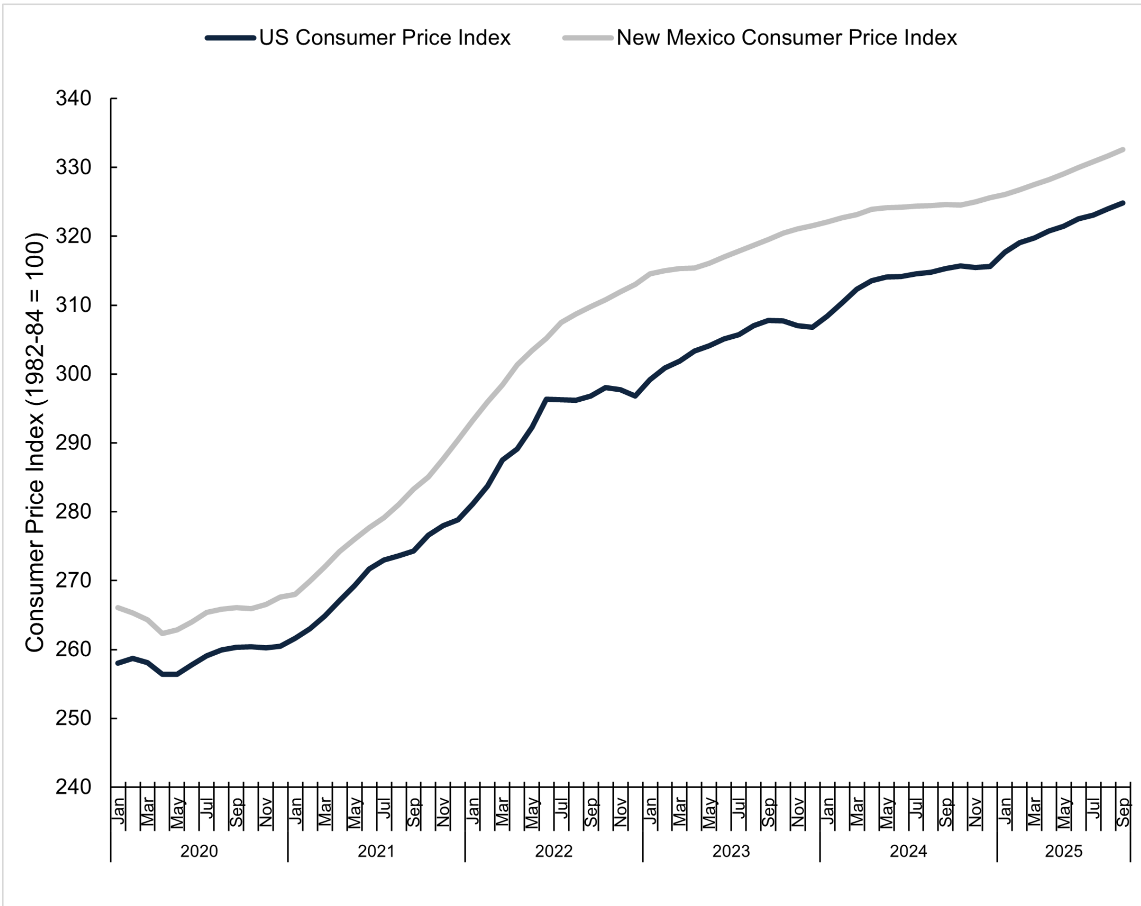
/

/

/

/

US Consumer Price Index and New Mexico Consumer Price Index, 2020 – 2024



Source: US Bureau of Labor Statistics and S&P Global.

G. OTHER FACTORS

Q60. HAS EPE MADE NOTEWORTHY SOFTWARE INVESTMENTS?

A. Yes. EPE witness Prieto describes in detail the Customer Cloud Service software project. This project was required to upgrade the Company's customer service software in 2020 for continued vendor product support. As a result of this required upgrade, several customer-facing solutions were implemented, including a reporting database, a customer web self-service portal, and a product called Opower, which helps customers reduce energy usage through home energy reports, behavioral load shaping, proactive alerts, and digital self-service. These offerings will help provide EPE's customers with more data regarding their usage, in near real-time, that can, in turn, help them better manage their usage to save money on their bills.

In addition, the Company recently upgraded its Energy Management System ("EMS") directly benefiting its customers. The upgrade maintains the reliability of the El Paso Electric Bulk Electric System which ensures the continuous supply of electricity to our customers. The upgrade will allow EPE to utilize renewable resources such as solar, wind, and battery storage in real time. This is essential due to the volatility of these resources. This upgrade also seamlessly integrates the western Energy Imbalance Market ("EIM") behaviors into the EMS to maximize market benefits for customers. Please see the Direct Testimony of EPE witness Martinez for more detail regarding the customer benefits of the EMS upgrade.

Q61. CAN YOU BRIEFLY DISCUSS EPE'S PARTICIPATION IN EIM?

A. Yes. In response to the evolution of the market in the Western Interconnection, EPE joined the EIM on April 5, 2023. The market optimizes regulation of customer load requirements and variable output from renewable resources by utilizing the most efficient regional generating resources, including renewables, made available for EIM dispatch. In doing so, the EIM facilitates greater integration of renewable resources and mitigates their curtailment by making these resources available for EIM entities to purchase. Many of EPE's trading partners in the Western Electricity Coordinating Council have joined the EIM and use it as their primary tool for making short-term purchases and sales. Joining the EIM has allowed EPE to continue to take advantage of the market in the west, which directly benefits EPE's customers in terms of reliability and cost. In Docket No. 21-00180-UT, EPE's application for an accounting order to recover EIM implementation costs, EPE described the proposed costs and benefit of EIM membership. It highlighted that participation in the EIM is expected to increase reliability and positively impact customers because 100 percent of the revenues on off-system sales into the EIM are credited to fuel costs. EPE witness Martinez further describes the benefits EPE's customers are seeing as a result of EPE joining the EIM.

VII. PROPOSED NEW RATE OFFERINGS

Q62. WHAT NEW RATE OFFERINGS IS EPE PROPOSING IN THIS PROCEEDING?

A. As I noted previously, EPE is proposing several rate structure changes and a new program offering in this filing that are intended to help its customers. EPE is proposing rate design proposals that support low-income customers with a new proposed low-income rider; to minimize subsidization and with a phased in full cost-based allocation; to increase capacity by opening up its interruptible program and increase capacity by incentivizing the shifting of load from the on-peak to the off-peak period with a peak time rebate program; and finally, to protect its customers from the advent of large load customers with tariffs that highlight cost-shifting protections.

Q63. PLEASE DESCRIBE EPE'S PROPOSED PEAK TIME REBATE PILOT.

A. EPE is proposing to implement a Peak Time Rebate Pilot ("PTR") Program, which will provide pilot participants the opportunity to receive a bill credit for reducing energy consumption during a designated peak period following a notification from EPE. The pilot will allow EPE to gather data, assess customer awareness and participation, and refine the program structure in order to form a larger scale version of the program in the future. Now that customer interval data is available with the completion of the AMS rollout, EPE wants to test rate offerings like the PTR with the goal of having rates that can incentivize customers to move usage to off-peak periods. Please see the direct testimony of EPE witness Carrasco for more information on the proposed PTR pilot. EPE is also requesting authorization to establish an accounting order to defer EPE's administrative costs to implement this program for future recovery.

Q64. PLEASE DESCRIBE EPE'S PROPOSED LARGE LOAD TARIFF SCHEDULES.

A. EPE is requesting Commission approval of the Original Rate No. 50 – High Load Factor Service Rate ("Rate 50") and the Original Rate No. 51 – Large Load Service Rate ("Rate 51") (collectively, "Large Load") tariff schedules. The two proposed Large Load tariff schedules are described by EPE witness Carrasco and presented in exhibits to his testimony.

EPE is making this proposal because under existing Commission-approved tariff schedules, a large load customer would be served under Schedule No. 09 – Large Power Service. But the largest customer currently served under Large Power Service has a peak demand of less than 10 MW, while the average load factor for the rate class is approximately 60 percent. The rates applicable under Rate 09 are not reflective of the expected cost to the customers intended to be served under the Large Load tariff schedules, which are for customers over 10 MW.

At full operation, large load customers, like data centers, will be EPE's largest retail customers. With expected peak loads of greater than 30 MW and a load factor in excess of 85 percent, the assumed usage characteristics are unlike any existing EPE class load profiles reflected in existing rates and tariffs.

Q65. ARE THE CUSTOMERS THAT ARE TO BE SERVED UNDER THE PROPOSED LARGE LOAD SCHEDULES GOING TO RECEIVE DISCOUNTED RATES?

A. No. The proposed rates developed and presented by Mr. Carrasco in his testimony reflect a full cost of service and ratemaking analysis based on information from EPE's cost of service study. EPE has developed a hypothetical class load profiles based on assumed Customer's expected full load conditions under each proposed Large Load tariff schedule and incorporates the resulting allocation factors into EPE's jurisdictional cost of service model. While the resulting rates are lower than existing Schedule No. 09 levels, they are not discounted. They are cost-based and reflect the same jurisdictional costs and cost allocation principles underlying EPE's current retail rates for all other customers, as well as the unique (both high and low load factor) characteristics of large load customers.

Q66. WHAT ARE THE APPLICABILITY REQUIREMENTS FOR THE LARGE LOAD SCHEDULES, AND HOW DO CUSTOMERS MEET THOSE REQUIREMENTS?

A. The Large Load tariff schedules will be applicable for new customers in targeted business sectors with minimum monthly billing demand of at least 30 MW (for Rate 50) or 10 MW (for Rate 51), who would otherwise qualify for service under EPE's Schedule No. 09 (among other schedules for large customers). A customer qualifies for these schedules as a large load under these requirements. As described by Mr. Carrasco in his testimony, EPE is providing an option for large load customers with either a high or a low load factor.

Q67. DO THE PROPOSED LARGE LOAD TARIFF SCHEDULES OFFER PROVISIONS TO ENSURE THAT OTHER CUSTOMERS WILL NOT BE SUBSIDIZING ANY COSTS ASSOCIATED WITH SERVING LARGE LOAD CUSTOMERS?

A. Yes. The proposed Large Load tariff schedules, presented by Mr. Carrasco, require a large load customer to execute an energy service agreement ("ESA") with EPE that must be filed with the Commission before taking service under the rate. I have included an example ESA as Exhibit GN-2 to my testimony. I note Section 10 of the sample agreement is a placeholder for any additional terms and conditions that may be necessary for or specific to a customer.

Q68. WHAT IS THE PURPOSE OF THE ESA?

A. The ESA ensures the large load customer's financial commitment to contribute toward the recovery of EPE's investment in the facilities necessary to provide them with service while contemporaneously protecting EPE's other customers. EPE's other customers are protected because the ESA helps to ensure fair cost allocation that prevents subsidies.

Q69. IS EPE REQUESTING THE COMMISSION OPEN A COMPLIANCE DOCKET FOR THE ESA FILINGS?

A. Yes. EPE requests that the Commission open a new Rate No. 50 and Rate No. 51 compliance docket for the purpose of filing executed ESAs. Within a reasonable time following execution, EPE will cause the ESA to be filed and served through PRC e360 on counsel of record and pro se parties to EPE's last general rate case.

Q70. DOES EPE HAVE EXISTING LARGE LOAD CUSTOMERS THAT WOULD BE SUBJECT TO THIS RATE?

A. No. However, EPE has a potential New Mexico customer requesting 80 MW of firm load, with the prospect of significantly larger MW commitments in the future. It is important for EPE to be prepared with an approved rate option that addresses issues with existing rates identified above before this or other potential large customers take service.

EPE has also seen an increase in manufacturing demand related to data center suppliers. Server and rack manufacturers are approaching EPE's region with load profiles similar to data centers because they test and, in some cases, commission equipment within their facilities. Commissioning of equipment and power demands of new generation processors is changing the expected demands of these operations monthly. These types of customers would qualify under Rate 51.

Q71. PLEASE DESCRIBE THE CHANGES EPE IS REQUESTING TO ITS INTERRUPTIBLE RATE NO. 29.

A. EPE is proposing to open Rate No. 29-Noticed Interruptible Service Rate for Large Power Service to new customers. This rate was closed to new customers through the Commission's Final Order in Case No. 09-00171-UT (the "2009 Rate Case"). With this proposed change EPE wants to increase available generation capacity at peak periods by increasing the amount of capacity subscribed to non-firm interruptible service to a system total of 100 MW. As described previously in my testimony, EPE has been witnessing strong peak demand growth. Introducing more demand-side resources like this proposal, in addition to other programs such as EPE's TVR pilot and the proposed peak time rebate program, should be used to help reduce peak native system loads. Please see the direct testimony of EPE witness Rene Gonzalez for more details regarding Rate No. 29-Noticed Interruptible Service Rate for Large Power Service.

Q72. PLEASE DESCRIBE THE PROPOSED LOW-INCOME RIDER.

A. EPE is proposing to introduce a Low-Income Rider in New Mexico that would provide a waiver of the monthly Customer Charge for qualifying customers. The New Mexico Legislature passed legislation in the 2025 session that gives utilities the ability to propose a low-income rate option. With customer affordability at top of mind, EPE wants to make this proposal to support our low-income customers. Please see the Direct Testimony of EPE witnesses Rene Gonzalez and Manuel Carrasco for further explanation of the proposed rider.

Q73. PLEASE DESCRIBE THE PROPOSED EXPERIMENTAL OFF-PEAK DEMAND RATE UNDER RATE SCHEDULE NOS. 03 AND 04 AND THE TOD DEMAND RATE UNDER RATE SCHEDULE NO. 04.

A. The Experimental Off-Peak Demand Rate is proposed as an experimental rate option available to customers who qualify under Rate No. 03 and who have a low load factor. The Experimental Off-Peak Demand Rate is designed to provide a financial incentive to encourage maximum demand use during the off-peak period rather than the on-peak period. Customers that can do this will both lower their own electric bills and assist in lowering EPE's summer peak demand, which benefits all customers by reducing the demand that EPE must meet through generation. The Experimental TOD Demand Rate also intends to encourage loads during the off-peak period rather than on the on-peak period. Please see the Direct Testimony of EPE witness Carrasco for further explanation of these experimental rates.

Q74. IS EPE PROPOSING CHANGES TO RULES OR FORMS?

A. Yes, EPE is proposing a change to its current line extension policy, Rule No. 8. EPE is also proposing related changes to Rule No. 13.

Q75. WHAT IS THE PURPOSE OF THE REPLACEMENT LINE EXTENSION POLICY?

A. There are two primary purposes. The first objective is to align EPE's line extension policies across both jurisdictions. The second objective is to put in place policies to address large load requests. EPE, like many other utilities around the country, has, in the past year, experienced a significant increase in the number of service requests from or related to large loads (i.e., loads approaching or exceeding one megawatt and, in some instances, exceeding 10 megawatts) from new and existing customers. The Company must ensure that it has the distribution and transmission capacity to serve these new customer requests along with the Company's existing and projected customer load. EPE's replacement policy addresses four scenarios that the Company has been experiencing in this context. EPE witness Gallegos provides additional details on these scenarios and explains the proposed solutions reflected in the replacement policy.

VIII. <u>DISTRIBUTION OF PROPOSED REVENUE REQUIREMENT</u>

Q76. FOR CONTEXT, CAN YOU BRIEFLY DESCRIBE EPE'S METHODOLOGY TO DEVELOP ITS JURISDICTIONAL COST OF SERVICE?

A. Yes. The bulk of EPE's application consists of the development of a total Company revenue requirement for the Test Year Period, and a related revenue requirement for EPE's New Mexico jurisdiction. EPE witness Hernandez describes the modeling and development of the New Mexico jurisdictional revenue requirement, based on total Company Test Year Period rate base and expenses adjusted for known and measurable changes. Comparison of this jurisdictional cost of service with annualized and adjusted New Mexico revenues provided by EPE witness Rene Gonzalez in his testimony demonstrates the revenue requirement deficiency that forms the basis for EPE's request in this rate case. EPE witness Hernandez then allocates this jurisdictional revenue requirement (after accounting for revenues produced by miscellaneous charges) to EPE's retail rate classes on a cost-of-service basis. This distribution of the requested revenue requirement provides full recovery of the system average rate of return ("ROR") equalized from each rate class.

Q77. WHAT IS THE COST-BASED DISTRIBUTION OF THE PROPOSED REVENUE REQUIREMENT BETWEEN RATE CLASSES?

A. Based on a cost-based distribution of the requested revenue requirement, EPE's rate classes would experience increases and decreases in moving to full cost of service, relative to revenues produced under current rates. Rate class base (non-fuel) revenues and revenue deficiencies are developed by EPE witness Hernandez and included in Schedule N-1. The class average base revenue and total revenue impacts produced by EPE's full cost of service revenue distribution are summarized by witness Hernandez.

Based on the class cost of service analysis, 12 of EPE's 14 rate classes would see base revenue increases and two classes would see rate reductions in moving fully to cost of service. However, EPE recognizes that a 50.5% increase in base rate revenues in one step would place significant financial and affordability pressures on its customers, particularly residential customers, and thus is voluntarily proposing the phasing of the increase in two parts for certain, specified customer classes. Under the second phase revenue distribution, all rate groups would move to the full cost to EPE of providing service and an equalized rate of return component.

Q78. HAS EPE MODERATED THE MOVEMENT OF RATE CLASSES TO UNITY IN ITS PREVIOUS RATE CASES?

A. Yes. EPE proposed gradual increases for several classes in Docket No. 09-00171-UT, filed on May 2009. EPE proposed maximum base rate increases of two-times the system average increase for several rate groups in that case. Proposed revenue requirement for each class was designed to move all rate classes closer to the requested system rate of return while limiting the maximum amount of increase for any class to twice the system average base rate increase. This approach was designed to reduce inter-class subsidies, while moderating the effects on the few rate classes that require greater rate increases to produce the system average rate of return.

In Docket No. 15-00127-UT, filed in May 2015, EPE proposed moving classes closer to cost of service. Non-fuel and purchased power base revenue increases for the Residential class were capped such that the total increase for the rate class, including base fuel, was limited to nine percent. A similar approach was used to limit total impact for the Irrigation and Seasonal Agricultural rate classes to 4.5 percent. Due to the magnitude of the non-fuel base revenue requirement increase that would be required to move several of the lighting rate classes to full cost, EPE proposed to limit the increase in non-fuel base revenues for the Street Lighting and Outdoor Recreational Lighting rate classes such that the total revenue impact was 20 percent.

In EPE's last proceeding, Docket No. 20-00104-UT, EPE proposed to modify the cost-based revenue requirements for the Residential, Military Research and Development (Option B), Street Lighting, Seasonal Agriculture Processing, and Outdoor Recreational Lighting rate groups. EPE initially capped the allocated revenue requirement increase to the Residential and Water Heating classes at two times the system average increase of 6.09 percent. That case ultimately adopted a modified revenue distribution with no increase for those classes.

Q79. WHY WAS IT APPROPRIATE TO MODERATE THE DISTRIBUTION OF REVENUES TO SOME CLASSES IN THE PAST RATHER THAN MOVE ALL CLASSES TO EQUALIZED RATES OF RETURN?

A. Movement to equaled rates of return by customer class reduces inter-class subsidies. However, promoting cost-based rates is only one of a number of frequently recognized goals of rate design. Consideration of the impact of the rate increase on customers is another important concern of EPE in the design of the proposed rates. The class cost of service study is employed as the basis to determine whether rates are above or below cost for each class of customers. Cost-based rates are achieved when the revenues from each class fully recover all associated costs and produce the requested system average ROR on rate base. The class revenue requirement at this "equalized" ROR represents the revenue level that supports the costs of providing electric service to that class.

The other consideration when moderating increases to some rate classes, which limits rate recovery below the actual cost of providing service, is that other rate classes must necessarily subsidize them. Gradualism limits increases and rate shock for some classes at the expense of others, which is another important consideration when considering moderation in revenue distribution at some level other than full cost.

Q80. IS EPE PROPOSING TO CONTINUE TO MODERATE THE DISTRIBUTION OF REVENUES TO CLASSES IN THIS CASE, RELATIVE TO COST-BASED RATES?

A. Yes. EPE is proposing to moderate the distribution of revenue in this rate case through a two-part implementation of base rates designed to gradually move certain, specified customer classes to full recovery of their respective cost of service. It has become clear based on the long history of moderation steps from past rate cases described above, that proposed revenue allocation by rate class at full cost is needed. In this rate case, EPE is requesting that each rate class contribute significantly more to the cost of serving it. In addition, EPE's low-income rider proposal helps limit the rate increase impact to its low-income New Mexico customers. EPE witness Carrasco presents the proposed phased-in revenue allocation by rate class, which serves as the basis for EPE's proposed rate design, in his direct testimony. During Phase 1 of this proposal, EPE will forgo an estimated $27 million in recovery of full cost rates in order to help relieve financial and affordability pressures on its customers. Additionally, the proposed October 1, 2027, implementation date for the second phase avoids implementation during the summer season (June through September), when energy rates are higher due to seasonal price differentials, thereby helping mitigate potential customer bill impacts.

IX. RATE CASE EXPENSES

Q81. IS EPE REQUESTING RECOVERY OF RATE CASE EXPENSES IN THIS CASE?

A. Yes.

Q82. PLEASE DESCRIBE THE RATE CASE EXPENSES REQUESTED IN THIS PROCEEDING.

A. Workpaper A-3, Adjustment 10, at page 2, summarizes the rate case expenses requested by EPE in this proceeding, which total $2 million. This summary is also provided as my Exhibit GN-3. EPE is requesting recovery of these rate case expenses that are incremental to its normal operating costs. Rate case expenses are primarily for outside consultants, attorneys, and other external costs; they exclude Company payroll. EPE has obtained estimates of expenses from each outside consultant and its legal counsel to develop rate case expenses. To minimize rate case costs, EPE has conducted two competitive solicitations for legal services since its last rate case and relies on outside consultants who are already familiar with EPE's operations and regulatory requirements.

For example, EPE retained Ms. Nelson, with Concentric Energy Advisors, to prepare the Return on Equity rate necessary for EPE to provide a reasonable return to its equity investors for this case. She has provided similar work for EPE on its most recent rate cases. Similarly, EPE retained John J. Spanos with Gannett

Fleming Valuation and Rate Consultants, LLC to prepare the required depreciation study for this case and Joe Weiss with Concentric Energy Advisors, Inc., to prepare a Lead-Lag Study. Both outside consultants have prepared several prior, similar studies for EPE. Yannick Gagne, a Managing Director at the actuarial firm Willis Towers Watson, was retained to address pension and OPEB issues. He provided EPE expert testimony on these issues in the 2020 Rate Case. Costs for these consultants include studies, expert testimony preparation, schedule reviews, as well as discovery assistance and preparation for an appearance at hearing. The public interest is served by EPE's engagement of qualified industry experts who bring a broader industry perspective to the preparation and execution of a rate case. EPE closely manages rate case expenses through invoice reviews to ensure costs align with scope of engagement and budget estimates. EPE's legal counsel, Spencer Fane, has provided estimated legal expenses for this proceeding from preparation of the rate case application filing package through hearing and post-hearing papers. Finally, EPE has included an estimate of expenses for the cost of rate filing preparation, providing notice to customers and for travel and expenses associated with litigating the rate case. EPE witness Reza presents the adjustment for regulatory and rate case expenses and EPE witness Sierra supports EPE's litigation expenses.

Q83. ARE THE RATE CASE EXPENSES THAT EPE IS REQUESTING REASONABLE AND NECESSARY?

A. Yes, they are. The costs are reasonable and necessary expenses for this proceeding, for other required regulatory proceedings, and for EPE to continue to provide safe, efficient and reliable service to its customers while meeting regulatory obligations.

X. CONCLUSION

Q84. PLEASE SUMMARIZE EPE'S REQUEST IN THIS CASE.

A. EPE is seeking approval to implement new rates that reflect our cost of providing reliable service. EPE's rate case filing demonstrates a $70.7 million non-fuel base rate revenue deficiency shown in the cost of service, representing a 50.5% increase in base rate revenues. After deducting other operating revenues for miscellaneous services charges of $0.241 million, EPE is requesting a net revenue increase of $70.5 million.

EPE recognizes the significance of a $70.7 million base rate deficiency and is voluntarily proposing a two-part implementation of base rates for Rate Nos. 01 (Residential), 05 (Irrigation), 10B (Military), 12 (Private Lighting), 25 (Outdoor Lighting), and 26 (State University) to moderate the impact of the rate change to those customers. EPE's proposed revised rates are designed to recover EPE's reasonable and necessary capital additions; EPE's reasonable and necessary operating expenses to serve New Mexico customers; EPE's capacity costs incurred under Commission approved agreements for three BESS facilities; and EPE's Commission-approved AMS Project costs. EPE requests that the Commission approve EPE's proposed tariffs and rates as proposed in the Amended Filing, which are just and reasonable, not unreasonably preferential or discriminatory, and sufficient, equitable, and consistent.

Q85. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes, it does.

Amended Filing

COMPLIANCE REQUIREMENTS

RECOMMENDED DECISION - CASE NO. 20-00104-UT - APRIL 6, 2021

XXII. DECRETAL PARAGRAPHS		DUE DATE	WITNESS	NOTES
M.	In its next base rate case, EPE shall use IBES as one source of its growth estimates in its DCF analysis or analyses	Next base rate case	**Jennifer E. Nelson**	Section II - Summary and Overview of Testimony
S.	In its next base rate case, EPE shall submit an alternative cost of service that assumes reopening Rate No. 7 to new customers	Next base rate case	**Adrian Hernandez**	Section VIII - Alternative Class Cost-of-Service Illustration for Rate No. 7
T.	In its next base rate case, EPE shall report on the results of the mediation and propose any modifications to Rate No. 29 agreed to in mediation.	Next base rate case	**Rene Gonzalez**	Section IV (M) - Noticed Interruptible Power Service Rate for Large Power Service
	The notice in the next base rate case shall give notice that the Commission might order significant changes to Rate No. 29 to make it more effective in reducing peak demand.	Next base rate case	**Notice**	
V.	In its next base rate case, EPE shall report on the following information:	Next base rate case		
	1. The number of customers receiving service under Rate No. 42 by rate class;	Next base rate case	**Rene Gonzalez**	Section IV (N) - Experimental Electric Vehicle Charging Rate
	2. The maximum number of customers that have received service under Rate No. 42 at any one time since the effective date of the rate;	Next base rate case	**Rene Gonzalez**	Section IV (N) - Experimental Electric Vehicle Charging Rate
	3. The average bill for Rate No. 42;	Next base rate case	**Rene Gonzalez**	Section IV (N) - Experimental Electric Vehicle Charging Rate
	4. Load data and the load profile of Rate No. 42 customers, including how the electric vehicle charging load coincides with EPE's system peak; and	Next base rate case	**Enedina Soto**	Section III (C) - Load Data and Load Profile for Electric Vehicle (EV) Charging Rate
	5. Available data to inform future programs and rates as well as to better understand the impact of electric vehicle charging on the electric grid	Next base rate case	**Enedina Soto**	Section III (C) - Load Data and Load Profile for Electric Vehicle (EV) Charging Rate
Z.	In all of its future base rate case filings, any reference made by EPE to a cost-of-service related dollar amount in testimony shall be stated on a New Mexico jurisdictional basis.	All future base rate case filings	**All Witnesses**	
	In all of its future base rate case filings, any reference made by EPE to a cost-of-service related dollar amount in exhibits to testimony, schedules and workpapers shall be stated on a total company and New Mexico jurisdictional basis. EPE shall construe this requirement broadly.	All future base rate case filings	**All Witnesses**	

ORDER ADOPTING RECOMMENDED DECISION WITH MODIFICATIONS - CASE NO. 20-00104-UT - JUNE 23, 2021

ORDERING PARAGRAPHS		DUE DATE	WITNESS	NOTES
52	In EPE's next rate case application, EPE must provide a study of the impacts of seasonal charges upon both TOD rate structures and standard rate structures. The study must include an analysis as to whether raising the Winter seasonal charge to the level of the Summer seasonal charge could fund a more effective TOD rate structure, possibly including lower on-peak rates.	Next rate case application	**Manuel Carrasco**	Section IV (E) - Seasonal Analyis Between Standard Service and Alternative TOD Service Rates

ORDER DENYING EL PASO ELECTRIC COMPANY'S PETITION FOR VARIANCE - CASE NO. 20-00104-UT - AUGUST 31, 2022

IT IS THEREFORE ORDERED:		DUE DATE	WITNESS	NOTES
C.	EPE shall include a proposal for an opt-out TOD-rate design in EPE's next base rate case application filing. In the alternative, EPE may include such a proposal in a stand-alone application filing made before EPE's next base rate case application filing	Next base rate case	**Manuel Carrasco**	Section IV (G) - TOD Energy Charges

23-00046-UT - FINAL ORDER ADOPTING RECOMMENDED DECISION WITH MODIFICATIONS - FEBRUARY 20, 2025

IT IS THEREFORE ORDERED:		DUE DATE		STATUS
C.	With EPE's next general rate case application, EPE shall include testimony and analysis as described in Paragraph 19 of this Order: "that either supports continued use of the 12-month rolling average or recommends moving to a shorter period of time to true up to actual figures."	Next general rate case	**Julissa I. Reza**	Section VI - Analysis of 12-Month Rolling Average Component of EPE's Fuel Adjustment Factor

RECOMMENDED DECISION - CASE NO. 19-00348-UT - APRIL 22, 2020

IT IS THEREFORE ORDERED:		DUE DATE	WITNESS	NOTES
Decretal ¶ G	EPE's recovery of capacity charges for the Buena Vista LTPPA shall be addressed in EPE's next base rate case	Next base rate case	**Victor Martinez**	Section IV - BESS Capacity Charges

TEP - ORDER ADOPTING CORRECTED CERTIFICATION OF STIPULATION WITH MODIFICATIONS - CASE NO. 20-00241-UT - NOVEMBER 10, 2021

IT IS THEREFORE ORDERED:		DUE DATE	WITNESS	STATUS
Stipulation ¶ 2.3.2	EPE will study system loads and resources during the [TEP term] of this stipulated agreement to evaluate revising the Super Off-Peak period [for Rate 42] in a future TEP filing or rate case	Next base rate case	**Enedina Soto**	Section III (C) - Load Data and Load Profile for Electric Vehicle Charging Rate

AMS - ORDER ADOPTING CERTIFICATION OF STIPULATION - CASE NO. 21-00269-UT - NOVEMBER 2, 2022

IT IS THEREFORE ORDERED:		DUE DATE	WITNESS	NOTES
Stipulation ¶ 2.6, 3.3	EPE will incorporate all capital investment and O&M expenses being recovered through the rider into base rates	Next base rate case	**George Novela/ Adrian Hernandez**	**George Novela**: Section V (C) - Advanced Metering System **Adrian Hernandez**: Section VI - Jurisdictional Cost of Service Study

CERTIFICATE OF STIPULATION - CASE NO. 19-00234-UT - FEBRUARY 10, 2020				
COMMITMENT		DUE DATE	WITNESS	STATUS
Commitment #11	Joint Applicants will maintain EPE's annual amount of **charitable giving** following the closing of the Transaction at EPE's average annual charitable giving level for the three-year period ending December 31, 2018 (i.e., approximately $1.2 million per year throughout EPE's service territory). This commitment will remain regardless of the level allowed in rates. All Signatories reserve the right to challenge inclusion of these expenses in rates. To the extent EPE seeks to recover these costs in rates, the inclusion of such costs shall be described in the executive summary of the rate filing package.		**Application Cynthia S. Prieto**	Section IX - Compliance with Case No. 19-00234-UT
Commitment #13	Joint Applicants will create or enhance programs that provide entry-level training focused on engineering, management, and finance skills for the local labor force in collaboration with The University of Texas at El Paso, El Paso Community College and New Mexico State University and shall use commercially reasonable efforts to provide these programs to students or workers in New Mexico and Texas in an equitable manner. This commitment will remain regardless of the level allowed in EPE's rates. All Signatories reserve the right to challenge inclusion of these expenses in rates. To the extent EPE seeks to recover these costs in rates, The inclusion of such costs shall be described in the executive summary of the rate filing package. The Parties acknowledge that failure to use commercially reasonable efforts to provide these programs to students or workers in New Mexico and Texas in such an equitable manner may be a basis for a request for denial of recovery of some or all of the costs associated with such programs through rates set by the Commission.		**Application Cynthia S. Prieto**	Section IX - Compliance with Case No. 19-00234-UT
Commitment #14	Joint Applicants will create or enhance **apprenticeship programs** for technical and professional positions for students in local high schools and colleges and shall use commercially reasonable efforts to provide these programs to students or workers in New Mexico and Texas in an equitable manner. This commitment will remain regardless of the level allowed in rates. All Signatories reserve the right to challenge inclusion of these expenses in rates. To the extent EPE seeks to recover these costs in rates, the inclusion of such costs shall be described in the executive summary of the rate filing package. The Parties acknowledge that failure to use commercially reasonable efforts to provide these programs to local New Mexico high schools and colleges in such an equitable manner may be a basis for a request for the denial of recovery of some or all of the costs associated with such programs through rates set by the Commission		**Application Cynthia S. Prieto**	Section IX - Compliance with Case No. 19-00234-UT
Commitment #15	Joint Applicants will continue and enhance utility **supplier diversity** by promoting the inclusion of minority-, women-, LGBTQ-, and veteran-owned businesses into EPE's supply chain. This commitment will remain regardless of the level allowed in rates. All Signatories reserve the right to challenge inclusion of these expenses in rates. To the extent EPE seeks to recover these costs in rates, the inclusion of such costs shall be described in the executive summary of the rate filing package.		**Application Cynthia S. Prieto**	Section IX - Compliance with Case No. 19-00234-UT

ENERGY SERVICES AGREEMENT

[RATE NO. 50 – HIGH LOAD FACTOR POWER SERVICE RATE]

[or]

[RATE NO. 51 – FLEXIBLE LOAD POWER SERVICE RATE]

The parties to this Energy Services Agreement ("ESA") are El Paso Electric Company ("EPE" or the "Company), a Texas corporation that is a public utility that provides retail electric service in New Mexico subject to the jurisdiction of the New Mexico Public Regulation Commission ("Commission"), and [**customer name**] ("Customer") (each individually, a "Party;" together, the "Parties"). This ESA relates to the service provided by EPE to Customer at [**address**] ("Point(s) of Service") pursuant to [**Rate No. 50 – High Load Factor Power Service Rate OR Rate No. 51 – Flexible Load Power Service Rate**], as it may be amended from time to time (the "Rate Schedule") and other provisions of the EPE Tariff, as defined below. This ESA constitutes the ESA required under the Rate Schedule.

Section 1. Definitions.

(a) "Applicable Law" means any duly promulgated federal, state or local law, regulation, rule, ordinance, code, decree, judgment, directive or judicial or administrative order, permit or other duly authorized and valid action of any Governmental Authority, including any binding interpretation of any of the foregoing by any Governmental Authority, that is applicable to a person, its property or a transaction, including any mandatory reliability standard adopted by any electric reliability organization, regional transmission organization, reliability coordinator, or Governmental Authority having jurisdiction and approved by the Federal Energy Regulatory Commission ("FERC").

(b) "Business Day" means a day that is not a Saturday, Sunday, United States federal holiday, or New Mexico state holiday.

(c) "Commission" is as defined above.

(d) "Company" is as defined above.

(e) "Contract Capacity" means the monthly post-Load Ramp Period peak load specified in Section 4.

(f) "Damages" are as defined in Section 8.

(g) "Effective Date" means the date of the execution of this ESA by the Parties.

(h) "EPE" is as defined above.

(i) "EPE Tariff" means, collectively, EPE's Rates, Rules, and Forms on file with and approved by the New Mexico Public Regulation Commission.

(j) "ESA" is as defined above.

(k) "Exhibit A" means "Exhibit A – Load Ramp Period, Load Ramp Contract Capacity, and Contract Capacity," attached hereto.

(l) "Exhibit B" means "Exhibit B – Additional Technical Requirements," attached hereto.

(m) "Exhibit C" means "Exhibit C – Facility Charge Calculation," attached hereto.

(n) "Facility Charge" is as specified in Exhibit C.

(o) "Facilities Component" is as defined in Exhibit C.

(p) "Good Utility Practice" means those practices, methods, and acts that are engaged in by a significant portion of the electric utility industry in the United States during the relevant time period, or any other practices, methods or acts that, in the exercise of reasonable judgment in light of the facts known at the time a decision is made, are expected to accomplish a desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be the optimum practice, method or act to the exclusion of others, but rather to be a spectrum of acceptable practices, methods or acts generally accepted in such electric transmission industry consistent with the standard set forth in the first sentence of this definition.

(q) "Governmental Authority" means any government or agency or other political subdivision thereof, including any state or municipality, or any other governmental, quasi-governmental, judicial, executive, legislative, administrative, regulatory, public or statutory instrumentality, authority, body, agency, commission, department, board, bureau or entity exercising judicial, executive, legislative, administrative or regulatory functions, any court or arbitrator with authority to bind a Party at law, and shall include, to the extent exercising powers delegated by any Governmental Authority acting under Applicable Law, any electric reliability organization or regional transmission organization.

(r) "Initial Term" is as defined in Section 3.

(s) "kW" means kilowatts.

(t) "Load Ramp Contract Capacity" means the monthly peak load requirements associated with the Load Ramp Period and set forth in Exhibit A.

(u) "Load Ramp Period" is defined in the Rate Schedule and as set forth in Exhibit A.

(v) "Monthly Minimum Charge" is as defined in the Rate Schedule.

(w) "O&M Component" is as defined in Exhibit C.

(x) "Parties" is as defined above.

(y) "Party" is as defined above.

(z) "Point of Service" is as defined above.

(aa) "Rate Schedule" is as defined above.

(bb) "Renewal Term" is as defined in Section 3.

(cc) "Service" is as defined in Section 4.

(dd) "Term" means the "Initial Term" or "Renewal Term," as applicable, as defined in Section 3.

Section 2. Agreement. Subject to Applicable Law, EPE agrees to sell and deliver to Customer, and Customer agrees to purchase and take from EPE, all electric energy requirements for Customer's operations at the Point(s) of Service, according to the terms and conditions of this ESA and the EPE Tariff. This ESA shall be filed by EPE with the Commission promptly after the Effective Date. The provisions of this ESA, including but not limited to those related to the Facility Charge, the Security, and damages, shall continue to apply even if Customer begins to receive service under a rate schedule of the EPE Tariff other than the Rate Schedule.

Section 3. Initial Term; Renewal. The term of this ESA shall commence on the Effective Date and shall conclude twenty years after Service has commenced under this ESA ("Initial Term"). The ESA shall automatically renew at the end of the Initial Term for a term of one year ("Renewal Term"), and again from year-to-year thereafter (each, also a "Renewal Term").

Section 4. Service. EPE shall deliver electrical energy to Customer and provide, maintain, and operate sufficient facilities to serve Customer's load at the Point of Service in accordance with the Contract Capacity specified below and the Load Ramp Contract Capacity specified in Exhibit A, as applicable, subject to: (i) the requirements in (a) through (h), below; (ii) the terms of this ESA; (iii) the EPE Tariff; and (iv) other Applicable Law (collectively, "Service"). Service under this ESA shall not begin until the Customer has provided the Security required under Section 6 or, if Security is not required, then within ten days of the Effective Date. Any electric delivery prior to that time does not constitute Service.

(a) The Contract Capacity shall be as specified in Exhibit A.

(b) The Load Ramp Contract Capacity shall be as specified in Exhibit A and may, over the course of the Load Ramp Period, consist of different levels of capacity applicable during different, defined phases as specified in Exhibit A. The Load Ramp Period shall not continue beyond the fourth anniversary of the commencement of Service.

(c) Customer shall not increase its connected load at the Point of Service above the Contract Capacity or the Load Ramp Contract Capacity, as applicable.

(d) Nothing in this ESA provides Customer a reservation of capacity or priority of service over other EPE customers.

(e) EPE will follow Good Utility Practice, but does not guarantee that the supply of electric energy to Customer will be free from interruptions or fluctuations. EPE shall not be liable to Customer for damages resulting from any interruptions or fluctuations, as provided in the EPE Tariff.

(f) Nothing in this ESA provides Customer with FERC-jurisdictional generation interconnection service or any other rights to interconnect any generation facility, or to transmit energy to EPE's transmission and distribution system or any other rights or service except as expressly provided herein or in the applicable provisions of the EPE Tariff.

(g) Customer shall not connect any electrical generating equipment to EPE's system unless otherwise agreed except in accordance with the Rate Schedule, EPE Tariff, and any Applicable Law (with it being agreed and understood between the Parties that installation of a microgrid by the Customer in accordance with New Mexico Session Laws 2025, Ch. 93, Sec. 6, pursuant to a separate energy services agreement between Customer and EPE that is entered into in accordance with the terms of Ch. 93, Sec. 6, would not violate this clause; for the avoidance of ambiguity, this ESA does not constitute the requisite energy services agreements under the terms of Ch. 93, Sec. 6).

(h) Customer will use all electricity delivered pursuant to this ESA for Customer's sole consumption and the consumption of its tenants, provided that Customer shall not sell or resell any of the electricity delivered pursuant to this ESA, including to Customer's tenants (it being agreed and understood that by including electricity charges as an element of rent or otherwise, Customer may recover the cost of the electricity delivered from its tenants, and that shall not constitute a sale or resale for purposes of this ESA).

Section 5. Termination. Notwithstanding any other provision of the EPE Tariff or this ESA, this ESA is subject to termination as follows:

(a) This ESA shall automatically terminate if the Commission disapproves of this ESA.

(b) EPE may terminate this ESA, or suspend Service, upon a material breach of this ESA by Customer, following notice and a reasonable opportunity to cure. Suspension of Service does not preclude subsequent termination.

(c) This ESA may be terminated by order of the Commission or FERC in accordance with Applicable Law.

(d) If Customer fails to provide the applicable Security, if any, or provide it timely, as required by this ESA.

Section 6. Security. Customer shall, if applicable, provide EPE with a security of its obligations under the Rate Schedule, the EPE Tariff, and this ESA in accordance with this Section and the Rate Schedule ("Security").

(a) The Security shall initially be in an amount equal to (i) $[●] per megawatt of the requested maximum Contract Capacity and (ii) 100% of the Facility Charge over the full term of the ESA. The Security shall be subject to adjustment under this Section and the Rate Schedule.

(b) Customer shall provide EPE with the initial Security within ten days of the Effective Date.

(c) Not more frequently than annually beginning after the completion of the first year of Service, EPE will recalculate the amount of the required Security under subsection (a) of this Section and adjust the amount of the Security obligation accordingly. If the amount of the obligation decreases, then Customer may decrease the Security accordingly at its discretion. If the amount of the obligation increases, then Customer shall provide any required additional Security amount within ten days of such notice.

(d) EPE has discretion to recalculate the amount of the required Security under subsection (a) of this Section and adjust the amount of Customer's Security obligation at any time. EPE shall provide Customer with notice of any increase in the Security. Customer shall provide any required additional Security amount within ten days of such notice.

(e) Security does not constitute a limitation of Customer's liability to EPE.

Section 7. Facility Charge. Customer shall pay the Facility Charge as set forth in Exhibit C. This payment shall remain an obligation of Customer even if Customer no longer receives service under Rate 50 or Rate 51 (or a successor rate) or if the ESA is terminated pursuant to Section 5, subject to the requirements of Section 5 and Section 8.

Section 8. Damages for Default. If this ESA is terminated pursuant to Sections 5(b) through 5(d) after Service commences but prior to the completion of the Initial Term, then Customer shall pay EPE damages equal to the then-applicable Monthly Minimum Charge times the number of months remaining until the end of the Term. Customer acknowledges that forfeiture of security is reasonable to compensate EPE for the harm and loss to EPE (and its other customers) from the unanticipated loss of Customer's contribution to system costs and the impact on system planning, and does not constitute a penalty.

Section 9. **Technical Requirements.** Customer shall at all times comply with the following Technical Requirements:

(a) Customer shall provide and maintain protective equipment compatible with EPE's protective equipment.

(b) Customer will provide and maintain protective equipment to protect Customer's equipment from damage which could be caused by low or unbalanced voltage.

(c) Customer shall curtail its load, as directed by EPE, for any contingency that could impact the reliability of EPE's Bulk Electric System, as defined under the Critical Infrastructure Protection Standards or other standards promulgated by the North American Electric Reliability Corporation ("NERC"), if it is determined that such curtailment will mitigate system conditions or as required by any Applicable Law or mandated NERC standard. EPE agrees that it will not apply curtailment to Customer in a discriminatory fashion, subject to Customer's compliance with the terms of this ESA.

(d) Such additional requirements as are specified in Exhibit B hereto.

[Section 10. Additional Terms. Additional terms and conditions applicable to this ESA are:

(a)

(b) **]**

Section 11. Installation. Customer shall provide a suitable place on and access to Customer's property for EPE to install all equipment necessary for EPE to perform its obligations under this ESA, as provided in the EPE Tariff. Customer shall use reasonable diligence to protect all EPE equipment located on Customer's property. Customer will furnish EPE with rights-of-way acceptable to EPE for the installation, maintenance, operation, repair, replacement, and removal of its equipment necessary to comply with its obligations under this ESA.

Section 12. Changes in Law; Amendments. This ESA may be modified or amended to comply with a change in Applicable Law (including, as applicable, the EPE Tariff). For the avoidance of ambiguity, a change in Applicable Law that conflicts with this ESA controls over any conflicting provision(s) of this ESA, regardless of whether the ESA has been amended to conform to the change in Applicable Law. Otherwise, this ESA may be changed or modified only by an instrument in writing duly executed by each of the Parties.

Section 13. Due Organization; Power and Authority. Customer warrants and represents that it is a natural person or a legal entity duly organized with valid corporate or partnership existence and good standing, and has no outstanding obligations, litigation, or other proceedings that would affect its ability to enter into and perform its obligations under this ESA.

Section 14. Entire Agreement. This ESA and the EPE Tariff constitute the entire agreement of the Parties with respect to the matters covered by this ESA.

Section 15. Captions. The captions preceding the text of each Section of this ESA are included only for convenience of reference and shall be disregarded in the construction of this ESA.

Section 16. Relationship of the Parties. This ESA shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon any Party. Neither Party shall have any right, power or authority, to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party pursuant to this ESA.

Section 17. Counterparts. This ESA may be executed in any number of counterparts with the same effect as if each of the Parties had signed the same document. All counterparts shall be construed together and shall constitute one instrument.

Section 18. Waiver. No (a) failure or delay on the part of a Party in exercising any of its rights under this ESA or in insisting upon strict performance of provisions of this ESA, (b) partial exercise by any Party of any of its rights under this ESA or (c) course of dealing among the Parties shall constitute a waiver of the rights of any Party under this ESA. Any waiver shall be effective only by a written instrument signed by the Party granting such waiver, and such instrument shall not operate as a waiver of, or estoppel with respect to, any subsequent failure to comply therewith.

Section 19. Calculation of Time. Whenever a notice, request, demand, waiver, consent, other communication, or Security is to be provided under this ESA, if the date on which it is due is not calculated to fall on a Business Day, then it shall be due on the first Business Day following the day on which it is otherwise calculated to be due.

Section 20. Notices. All notices, requests, demands, waivers, consents and other communications under this ESA shall be in writing and shall be deemed duly given (x) when delivered personally or by prepaid overnight courier, with a record of receipt, (y) on the fourth (4th) day after mailing, if mailed by certified mail, return receipt requested or (z) on the day of transmission, if sent by electronic means during regular business hours, or on the next Business Day after transmission, if sent after regular business hours (with a copy promptly sent by prepaid overnight courier with record of receipt or by certified mail, return receipt requested), to the Parties at the following addresses or telecopy numbers (or to such other address or telecopy number as a Party may have specified by notice given to the other Party pursuant to this provision):

(a) If to EPE:

El Paso Electric Company
100 N. Stanton St.
El Paso, Texas 79901
Attention: _________________
Email: legal@epelectric.com

with a copy to:

El Paso Electric Company
100 N. Stanton St., El Paso, Texas 79901
Attention: _____________________
Email: ________________________

(b) If to Customer:

with a copy to:

IN WITNESS WHEREOF, THIS ESA IS ENTERED INTO BY THE PARTIES WHO HAVE EXECUTED IT BELOW AS OF THIS ___ DAY OF ___, 202_.

EL PASO ELECTRIC COMPANY

By:

Name:

Title:

Date:

[CUSTOMER NAME]

By:

Name:

Title:

Date:

EXHIBIT A - LOAD RAMP PERIOD, LOAD RAMP CONTRACT CAPACITY, AND CONTRACT CAPACITY

	LOAD RAMP CONTRACT CAPACITY and CONTRACT CAPACITY		
	Load Ramp Period - Phase 1	**Load Ramp Period - Phase 2**	**Contract Capacity**
Commencement Date			
Monthly Peak Load (kW)			

EXHIBIT B – ADDITIONAL TECHNICAL REQUIREMENTS

[To the extent items in the below would apply to all customers under this rate schedule, we should incorporate those into the "Technical Requirements" provision in the main body of the ESA. This should be reserved for anything Customer-specific.]

TECHNICAL REQUIREMENTS

The maximum load ramp up ratio shall be ___________.

The Customer will be required to curtail its load, as directed by EPE, for any contingency that could impact the loading of EPE's transmission lines, if it is determined that such curtailment will relieve the overloading on the impacted transmission lines or as required by any applicable law.

The Customer must comply with the following technical requirements:

- maintain a minimum ± 0.95 power factor;
- do not inject harmonics into the transmission system;
- do not cause voltage and current harmonics on the transmission system that exceed the limits specified in IEEE 519;
- mitigate voltage excursions that could impact other customers, e.g., voltage flicker, voltage sag, and voltage swell;
- maintain its voltage schedule as required by EPE; and
- adhere to all NERC standards applicable to this type of load facility.

If it is determined that the Customer's connection is: (i) the source of voltage excursions, or (ii) the source of harmonic voltage and currents that affect third-party customers, or (iii) exceeds EPE operational standards, the necessary equipment to control the harmonic voltage and currents to the limits identified in IEEE 519 is the responsibility of the Customer. The point of measurement is the point of interconnection (POI).

If the Customer's equipment or facility causes undue interference with EPE's service to third-party customers, the Customer must correct the identified problem, at its own expense, until the power quality is corrected to EPE's satisfaction.

EXHIBIT C - FACILITY CHARGE

(a) The Facility Charge shall consist of the sum of the Facilities Component and the O&M Component set forth in subsections (b) and (c) of this Section.

(b) The initial Facility Charge is initially set to be $_________ per month, of which $____ is a Facilities Component (defined below) and $_____ is an O&M Component (defined below).

(b) A facilities component shall be calculated as the monthly return of and return on EPE's investment in facilities dedicated to serving customer, with return on calculated at EPE's then-applicable Commission-approved weighted average cost of capital, as amortized on a straight-line basis through conclusion of the Initial Term ("Facilities Component"). The Facilities Component shall be recalculated in the event that EPE makes additional investment in facilities dedicated to serving Customer. If Customer provides 24-months' notice under Section 5(d), then EPE shall recalculate the Facilities Component to fully amortize the remaining undepreciated balance of the Facilities Component over the course of the period that remains until the termination date of this ESA.

(c) An operations and maintenance costs component shall be calculated as one-twelfth of the total of the costs EPE incurs annually to operate and maintain facilities dedicated to serving customer, as determined by EPE based on EPE's evaluation of its actual costs ("O&M Component"). The O&M Component may be recalculated at the discretion of EPE annually.

(d) EPE shall recalculate the Facility Charge annually.

Amended Filing

Rate Case Expenses

Line No.	(a) Description	(b) Amount
	2026 New Mexico Rate Case Expense Estimate	
1	Outside Legal Services	$ 1,293,000
2	Outside Consulting	618,000
3	Other	104,800
4	Total Rate Case Expenses	2,015,800

This amount does not include payroll costs.

Amounts may not add or tie due to rounding.

Amended Filing

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 01
CANCELLING FOURTEENTH REVISED RATE NO. 01

RESIDENTIAL SERVICE RATE
X

APPLICABILITY

This rate schedule is available for electric service used in single family residences or individually metered apartments for primarily domestic or home use, and other non-commercial uses located on the same property and used in connection with the main residence.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will normally be 120/240 volt, single phase, supplied at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

Single phase or three phase motor operation is permitted under this service when the size of the individual motor does not exceed 10 horse power (HP). Single or three phase motors shall not exceed 10 HP of capacity without the written approval of the Company.

MONTHLY RATES

PHASE 1 (Expires September 30, 2027)

STANDARD SERVICE RATE

Customer Charge (per meter per month)	$14.56

Energy Charge Per kWh	**Summer** (June through September)	**Non-Summer** (October through May)
Tier 1: 0 - 600 kWh	$0.09629	----------
Tier 2: All Other kWh	$0.14438	----------
All kWh	----------	$0.07257

TIME OF DAY (TOD) RATE

Amended Filing

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 01
CANCELLING FOURTEENTH REVISED RATE NO. 01

RESIDENTIAL SERVICE RATE
X

Customer Charge (per meter per month):	$14.56

Energy Charge Per kWh	Summer (June through September)	Non-Summer (October through May)
On-Peak Period	$0.25752	----------
Off-Peak Period	$0.08895	$0.07257

PHASE 2 (Effective October 1, 2027)

STANDARD SERVICE RATE

Customer Charge (per meter per month)	$19.17

Energy Charge Per kWh	Summer (June through September)	Non-Summer (October through May)
Tier 1: 0 - 600 kWh	$0.13024	----------
Tier 2: All Other kWh	$0.18089	----------
All kWh	----------	$0.09777

TIME OF DAY (TOD) RATE

Customer Charge (per meter per month):	$19.17

Energy Charge Per kWh	Summer (June through September)	Non-Summer (October through May)
On-Peak Period	$0.29270	----------
Off-Peak Period	$0.12413	$0.09777

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 01
CANCELLING FOURTEENTH REVISED RATE NO. 01

RESIDENTIAL SERVICE RATE
X

The Customer that elects to take service under the Time-Of-Day (TOD) Rate, must do so for a minimum of twelve (12) months. For all customers that enroll, if, at the conclusion of that initial twelve (12) month period of service under the TOD Rate, the total billings for the 12-month period exceed billings for the same period under the Standard Service Rate, the Company will credit the customer for the difference in billings and the Customer may opt to revert to the Standard Service Rate.

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge, Other Non-Consumption Based Applicable Riders, and Tax Adjustment.

FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

LOW INCOME RIDER

Upon qualification under the below defined Low Income Rider (LIR) criteria, the Customer Charge will not be applicable to the Residential Customer’s monthly billing. All other provisions of this rate schedule remain unchanged.

1. The LIR is available to qualified residential customers identified by the New Mexico Human Services Department New Mexico Health Care Authority (HCA) client database as authorized to receive Supplemental Nutrition Assistance Program (SNAP) benefits for a period of time pursuant to the eligibility and assistance requirements of the SNAP or are eligible for the Low-Income Home Energy Assistance Program (LIHEAP).

2. On a monthly basis, the Company will compare the names and addresses in its New Mexico residential customer database with those in the HCA client database. The HCA client must be the Company customer of record or an authorized individual on the account. All matching customers will be certified to receive the LIR through the time period in which they are authorized for SNAP or LIHEAP assistance, or for twelve (12) months, whichever is less. However, a Customer's eligibility for the LIR will terminate if the Customer is removed from

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 01
CANCELLING FOURTEENTH REVISED RATE NO. 01

RESIDENTIAL SERVICE RATE
X

the HCA database when HCA annually purges its client database and removes the client, or if the Customer changes his or her service address and the address no longer matches the HCA database. The Company may extend the LIR to a Customer when the Customer's SNAP or LIHEAP assistance is re-authorized or extended by HCA for an additional period of time.

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to the provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

WHOLE HOUSE ELECTRIC VEHICLE (WHEV) RATE RIDER INCENTIVE CREDIT

INCENTIVE CREDIT: $0.04740 / kWh

SUPER OFF-PEAK HOURS: 12:00 am to 8:00 am, Monday – Sunday, Year Round

PROGRAM DESCRIPTION: Energy usage during the hours listed above, but not exceeding the total energy usage billed, will be multiplied by the Incentive Credit rate to calculate the incentive credit presented on the monthly bill. Energy usage for all hours will be charged at the applicable Rate No. 01 rate.

RATE QUALIFICATIONS: Customers must have a qualifying plug-in electric vehicle that is registered with the New Mexico Motor Vehicle Division using the same service address as the EPE residential account. Qualifying accounts must provide proof of EV registration.

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 01
CANCELLING FOURTEENTH REVISED RATE NO. 01

RESIDENTIAL SERVICE RATE
X

LIMITATION: The incentive credit shall not cause the customer bill to fall below the Monthly Minimum Charge Provision applicable on this rate, excluding Purchase Power and Fuel (FPPCAC).

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

This rate schedule is available under the following conditions:

1. When it is evident, either visually or electrically, that activity of a business or professional character is being conducted in the residence, service will be supplied on the appropriate non-residential rate schedule; however, the portion used as living quarters may be wired and metered separately and served on this rate schedule.

2. For separately metered living quarters recognized as single-family living quarters for domestic home use.

3. Single-phase and three-phase motors shall not exceed 10 (HP) of capacity without prior written approval of the Company. The use of all single or three-phase motors over 5 HP must be approved by the Company concerning the motor's lock rotor amperes.

4. If three-phase service is supplied, motor size and other loads will be subject to Company approval. Three-phase service is only available from lines existing at the location or if the Company determines it is economically feasible to bring service to the location.

Amended Filing

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 01
CANCELLING FOURTEENTH REVISED RATE NO. 01

RESIDENTIAL SERVICE RATE
X

5. Wiring may be extended from the residence circuit to private garages, barns and similar structures and/or wells which are located on the same property as the residence and used exclusively for domestic purposes in connection with the residence.

6. For residences where rooms are rented or meals are served to boarders if this is incidental to the maintenance of a private residence.

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 03
CANCELLING SIXTEENTH REVISED RATE NO. 03

SMALL GENERAL SERVICE RATE

X

APPLICABILITY

This rate schedule is available to all Customers for lighting, power, and heating service and where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. Service under this rate schedule shall be limited to Customers who otherwise do not qualify for service under the Company's other rate schedules and whose Maximum Demand for any two (2) consecutive months during the current month and previous eleven (11) month period did not exceed 50 kilowatts (kW).

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or measuring device, of each kind needed.

MONTHLY RATES

STANDARD SERVICE RATE (Maximum Demand equal to or greater than 15 kW in all months)

Customer Charge (per meter per month)	$17.17

Demand and Energy Charges	**Summer** (June through September)	**Non-Summer** (October through May)
Demand Charge per Billing kW	$19.54	$11.59
Energy Charge per kWh	$0.04957	$0.02416

STANDARD TIME OF DAY (TOD) RATE (Maximum Demand equal to or greater than 15 kW in all months)

Customer Charge (per meter per month)	$17.17

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 03
CANCELLING SIXTEENTH REVISED RATE NO. 03

SMALL GENERAL SERVICE RATE

X

Demand and Energy Charges	**Summer** (June through September)	**Non-Summer** (October through May)
Demand Charge per Billing kW	$19.54	$11.59
Energy Charge per kWh		
On-Peak Period	$0.16746	----------
Off-Peak Period	$0.02416	$0.02416

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

ALTERNATIVE SERVICE RATE (Maximum demand below 15 kW in all months)

Customer Charge (per meter per month)	$17.17

Energy Charge Per kWh	**Summer** (June through September)	**Non-Summer** (October through May)
All kWh	$0.13077	$0.07496

If a Customer on the Alternative Service Rate meets or exceeds 7,000 kWh or 15 kW during any billing month, the Customer will be transferred to and remain in the Standard Service Rate, starting with the following billing month, and shall not be eligible for service under the Alternative Service Rate for a period of twelve (12) consecutive months thereafter.

ALTERNATIVE TIME OF DAY (TOD) RATE (Maximum Demand below 15 kW in all months)

Customer Charge (per meter per month)	$17.17

Energy Charge Per kWh	**Summer** (June through September)	**Non-Summer** (October through May)
On-Peak Period	$0.26013	----------
Off-Peak Period	$0.10535	$0.07496

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

If a Customer on the Alternative TOD Rate meets or exceeds 7,000 kWh or 15 kW during any billing month, the Customer will be transferred to and remain in the Standard TOD Rate, starting with the following billing month, and shall not be eligible for service under the Alternative TOD Rate for a period of twelve (12) consecutive months thereafter.

The Customer that elects to take service under a TOD rate, must do so for a minimum of twelve (12) consecutive months. For all customers that enroll, if, at the conclusion of that initial twelve (12) month period of service under the TOD rate, the total billings for the 12-month period exceed billings for the same period under the corresponding non-TOD rate, the Company will credit the customer for the difference in billings and the Customer may opt to revert to the corresponding non-TOD rate.

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge plus Demand Charge (if applicable), Other Non-Consumption Based Applicable Riders, and Tax Adjustment.

DETERMINATION OF BILLING DEMAND

Maximum Demand is defined as the highest measured thirty (30) minute interval kW load.

The billing demand (in kW) will be the highest of:

(a) the Maximum Demand; or
(b) the demand ratchet of 60% of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period; or
(c) 15 kW.

The Company will reset the demand ratchet for customers installing Distributed Generation (DG) and/or storage following interconnection of the DG and/or storage, restarting the historical demand used for purposes of applying (b) above.

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 03
CANCELLING SIXTEENTH REVISED RATE NO. 03

SMALL GENERAL SERVICE RATE

X

EXPERIMENTAL OFF-PEAK DEMAND RATE

This off-peak demand rate is available to all Customers for lighting, power, and heating service pursuant to the provisions of the Company's Small General Service Rate currently in effect and otherwise applicable to the Customer, but limited to those Customers whose average load factor, during the current month and previous eleven (11) month period, did not exceed thirty percent. This off-peak demand rate is not available for standby, temporary, resale, or interruptible service. Participation may be limited by the Company at its own discretion during this experimental phase or suspended indefinitely after evaluating the revenue impact of the off-peak demand rate and providing no less than thirty (30) day notification to participants before such suspension becomes effective.

Service under this off-peak demand rate will be available by calendar year beginning on January 1 of each year. A Customer requesting service under this off-peak demand rate must provide a signed agreement for service to EPE prior to January 1 of the initial year of taking service under the agreement. After the initial calendar year, the agreement will automatically renew for the subsequent calendar year unless the Customer provides written notice to the Company of their cancellation of service under this off-peak demand rate on or before December 1 prior to the renewal year. A Customer taking service under this off-peak demand rate whose average load factor during the current month and previous eleven (11) month period is greater than 30 percent for two (2) consecutive months shall be declared ineligible for this off-peak demand rate and will be billed for the current month and thereafter under the retail rate schedule currently in effect and otherwise applicable to the Customer. The Customer shall again qualify for service under this off-peak demand rate in the first month after its average load factor during the current month and previous eleven (11) month period remains below 30 percent.

The Company, at its option, may request payment for any special metering installation costs required for the Customer to take service under this off-peak demand rate.

MONTHLY RATES EXPERIMENTAL OFF-PEAK DEMAND RATE

Customer Charge (per meter per month)	$17.17

Demand and Energy Charges	**Summer** (June through September)	**Non-Summer** (October through May)

Amended Filing

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 03
CANCELLING SIXTEENTH REVISED RATE NO. 03

SMALL GENERAL SERVICE RATE

X

Demand Charge per Billing kW		
On-Peak Period	$13.50	----------
Off-Peak Period	$7.76	11.59
Energy Charge per kWh		
On-Peak Period	$0.23648	----------
Off-Peak Period	$0.02416	$0.02416

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

Determination of Billing Demand – Experimental Off-Peak Demand Rate

The Demand Charge will be the sum of the on-peak billing demand times the applicable rate plus the off-peak billing demand times the applicable rate.

Maximum demand will be defined as the highest thirty (30) minute average kW load determined by measurement.

The Off-Peak Period billing demand will be the highest of:

(a) the Maximum Demand during the Off-Peak Period; or
(b) the demand ratchet of 60% of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period; or
(c) 15 kW.

The On-Peak Period billing demand will be the Maximum Demand during the On-Peak Period hours.

The Company will reset the demand ratchet for customers installing Distributed Generation (DG) and/or storage following interconnection of the DG and/or storage, restarting the historical demand used for purposes of applying the tariffed demand ratchet.

FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE (FPPCAC)

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 03
CANCELLING SIXTEENTH REVISED RATE NO. 03

SMALL GENERAL SERVICE RATE

X

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of the other Company riders that may apply to this rate schedule and shall be billed pursuant to the provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

WHOLE SERVICE ELECTRIC VEHICLE (WSEV) RATE RIDER INCENTIVE CREDIT

STANDARD SERVICE INCENTIVE CREDIT: $0.00267 / kWh

ALTERNATIVE SERVICE INCENTIVE CREDIT: $0.05875 / kWh

SUPER OFF-PEAK HOURS: 12:00 am to 8:00 am, Monday – Sunday, Year Round

PROGRAM DESCRIPTION: Energy usage during the hours listed above, but not exceeding the total energy usage billed, will be multiplied by the Incentive Credit rate to calculate the incentive credit presented on the monthly bill. Energy usage for all hours will be charged at the applicable Rate No. 03 rate.

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 03
CANCELLING SIXTEENTH REVISED RATE NO. 03

SMALL GENERAL SERVICE RATE

X

RATE QUALIFICATIONS: Customers must have a qualifying plug-in electric vehicle that is registered with the New Mexico Motor Vehicle Division using the same service address as the EPE residential or commercial account.

LIMITATION: The incentive credit shall not cause the customer bill to fall below the Monthly Minimum Charge Provision applicable on this rate, excluding Purchase Power and Fuel (FPPCAC).

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

The Company at its option shall install metering equipment to measure the customer's Maximum Demand for purposes of determining the applicable rate schedule.

The Customer and the Company will determine whether a new Customer qualifies for this rate schedule.

If the Customer's Maximum Demand exceeds 50 kW in the current month and previous month, the Customer shall no longer be eligible for service under this rate schedule and shall be placed on Rate No. 04 – General Service or Rate No. 09 – Large Power Service, as applicable, for a minimum of twelve (12) consecutive months, starting with the following billing month. After a minimum of twelve (12) months on the applicable rate schedule, a determination will be made by the Company for the Customer's applicable rate schedule.

Any new Customer that has not established a prior service history with the Company shall be classified under the appropriate rate schedule in accordance with a Maximum Demand estimate performed by the Company.

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 03
CANCELLING SIXTEENTH REVISED RATE NO. 03

SMALL GENERAL SERVICE RATE

X

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 04
CANCELLING SIXTEENTH REVISED RATE NO. 04

GENERAL SERVICE RATE
X

APPLICABILITY

This rate schedule is available to all Customers for lighting, power, and heating service and where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. Service under this rate schedule shall be limited to Customers who otherwise do not qualify for service under the Company's other rate schedules and whose Maximum Demand for any two (2) consecutive months during the current month and previous eleven (11) month period was (i) not less than 50 kilowatts (kW) and (ii) did not exceed 799 kW.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or measuring device, of each kind needed.

MONTHLY RATES

STANDARD SERVICE RATE

Customer Charge (per meter per month)	$104.68

Secondary Voltage	**Summer**	**Non-Summer**
Demand Charge per Billing kW	$25.44	$12.67
Energy Charge per kWh	$0.04278	$0.02010

Primary Voltage	**Summer**	**Non-Summer**
Demand Charge per Billing kW	$23.29	$10.52
Energy Charge per kWh	$0.04278	$0.02010

Transmission Voltage	**Summer**	**Non-Summer**
Demand Charge per Billing kW	$20.49	$7.72
Energy Charge per kWh	$0.04278	$0.02010

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 04
CANCELLING SIXTEENTH REVISED RATE NO. 04

GENERAL SERVICE RATE
X

The Summer period shall be the months of June through September. The Non-Summer period shall be all other months.

TIME-OF-DAY (TOD) RATE

Customer Charge (per meter per month)	$104.68

Secondary Voltage	**Summer**	**Non-Summer**
Demand Charge per Billing kW	$25.44	$12.67
Energy Charge per kWh		
On-Peak Period	$0.17739	-------
Off-Peak Period	$0.01975	$0.02010

Primary Voltage	**Summer**	**Non-Summer**
Demand Charge per Billing kW	$23.29	$10.52
Energy Charge per kWh		
On-Peak Period	$0.18110	-------
Off-Peak Period	$0.02332	$0.02010

Transmission Voltage	**Summer**	**Non-Summer**
Demand Charge per Billing kW	$20.49	$7.72
Energy Charge per kWh		
On-Peak	$0.16804	--------
Off-Peak	$0.02332	$0.02010

The Summer period shall be the months of June through September. The Non-Summer period shall be all other months. The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

The Customer that elects or that is required to take service under the TOD Rate, must do so for a minimum of twelve (12) consecutive months. For all customers that elect the TOD Rate, if, at the conclusion of that initial twelve (12) month period of service under the TOD Rate, the total billings for the 12-month period exceed billings for the same period under the Standard Service Rate, the Company will credit the customer for the difference in billings and the Customer may opt to revert to the Standard Service Rate.

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 04
CANCELLING SIXTEENTH REVISED RATE NO. 04

GENERAL SERVICE RATE
X

RESERVED DISTRIBUTION CAPACITY SERVICE CHARGE

A Reserved Distribution Capacity Service Charge will be billed to the Customer during the months that reservation of distribution system capacity is utilized by the Customer. The Contract Capacity for the purpose of this charge shall be the amount of distribution system capacity, expressed in kilowatts (kW), that the Customer requests the Company to reserve.

Reserved Distribution Capacity Service Charge	Primary Voltage
Per kW of Contract Capacity	See Applicable Demand Charge Above

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge plus Demand Charge and Reserved Distribution Capacity Service Charge, Other Non-Consumption Based Applicable Riders, and Tax Adjustment.

DETERMINATION OF BILLING DEMAND

Maximum Demand is defined as the highest measured thirty (30) minute interval kW load.

The billing demand (in kW) will be the highest of:

(a) the Maximum Demand, adjusted by the Meter Voltage Adjustment, if applicable; or
(b) the demand ratchet of 65% of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period; or
(c) 50 kW.

The Company will reset the demand ratchet for customers installing Distributed Generation (DG) and/or storage following interconnection of the DG and/or storage, restarting the historical demand used for purposes of applying (b) above. This Determination of Billing Demand is not applicable to customers eligible under the Demand Adjustment Rider of this rate schedule.

DEMAND ADJUSTMENT RIDER

Amended Filing

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 04
CANCELLING SIXTEENTH REVISED RATE NO. 04

GENERAL SERVICE RATE
X

This rider is available to qualifying separately metered Transportation Electrification (TE) Public Charging sites and is an adjustment to the billing demand. In the event the Maximum Demand for the billing period results in a load factor (LF) less than a 15%, based on the same billing period's energy consumption (kWh), the billing demand (kW) for the billing period will be calculated as follows:

BD = kWh / (LF * 24 * Days)
Where,
BD = Billing Demand
kWh = Monthly energy consumption
LF = 15%
24 = Hours in a day
Days = Days in billing period

If the Maximum Demand for the billing month results in a LF equal to or greater than 15%, based on the same billing month's energy consumption (kWh), the billing demand (kW) will be calculated pursuant to the Determination of Billing Demand.

EXPERIMENTAL OFF-PEAK DEMAND RATE

This off-peak demand rate is available to all secondary voltage Customers for lighting, power, and heating service pursuant to the provisions of the Company's General Service Rate currently in effect and otherwise applicable to the Customer, but limited to those Customers whose average load factor, during the current month and previous eleven (11) month period, did not exceed thirty percent. This off-peak demand rate is not available for standby, temporary, resale, or interruptible service. Participation may be limited by the Company at its own discretion during this experimental phase or suspended indefinitely after evaluating the revenue impact of the off-peak demand rate and providing no less than thirty (30) day notification to participants before such suspension becomes effective.

Service under this off-peak demand rate will be available by calendar year beginning on January 1 of each year. A Customer requesting service under this off-peak demand rate must provide a signed agreement for service to EPE prior to January 1 of the initial year of taking service under the agreement. After the initial calendar year, the agreement will automatically renew for the subsequent calendar year unless the Customer provides written notice to the Company of their cancellation of service under this off-peak demand rate on or before December 1 prior to the renewal year. A Customer taking service under this off-peak demand rate whose average load

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 04
CANCELLING SIXTEENTH REVISED RATE NO. 04

GENERAL SERVICE RATE
X

factor during the current month and previous eleven (11) month period is greater than 30 percent for two (2) consecutive months shall be declared ineligible for this off-peak demand rate and will be billed for the current month and thereafter under the retail rate schedule currently in effect and otherwise applicable to the Customer. The Customer shall again qualify for service under this off-peak demand rate in the first month after its average load factor during the current month and previous eleven (11) month period remains below 30 percent.

The Company, at its option, may request payment for any special metering installation costs required for the Customer to take service under this off-peak demand rate.

MONTHLY RATES EXPERIMENTAL OFF-PEAK DEMAND RATE

Customer Charge (per meter per month)	$104.68

Demand and Energy Charges	**Summer** (June through September)	**Non-Summer** (October through May)
Demand Charge per Billing kW		
On-Peak Period	$17.54	----------
Off-Peak Period	$11.80	12.67
Energy Charge per kWh		
On-Peak Period	$0.23203	----------
Off-Peak Period	$0.01971	$0.02009

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

Determination of Billing Demand – Experimental Off-Peak Demand Rate

The Demand Charge will be the sum of the on-peak billing demand times the applicable rate plus the off-peak billing demand times the applicable rate.

Maximum demand will be defined as the highest thirty (30) minute average kW load determined by measurement.

The Off-Peak Period billing demand will be the highest of

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 04
CANCELLING SIXTEENTH REVISED RATE NO. 04

GENERAL SERVICE RATE
X

(a) the Maximum Demand during the Off-Peak Period; or
(b) the demand ratchet of 60% of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period; or
(c) 15 kW.

The On-Peak Period billing demand will be the Maximum Demand during the On-Peak Period hours.

The Company will reset the demand ratchet for customers installing Distributed Generation (DG) and/or storage following interconnection of the DG and/or storage, restarting the historical demand used for purposes of applying the tariffed demand ratchet.

EXPERIMENTAL TOD DEMAND RATE

This TOD demand rate is available to all secondary voltage Customers for lighting, power, and heating service pursuant to the provisions of the Company's General Service Rate currently in effect and otherwise applicable to the Customer. This TOD demand rate is not available for standby, temporary, resale, or interruptible service. Participation may be limited by the Company at its own discretion during this experimental phase or suspended indefinitely after evaluating the revenue impact of the off-peak demand rate and providing no less than thirty (30) day notification to participants before such suspension becomes effective.

Service under this TOD demand rate will be available by calendar year beginning on January 1 of each year. A Customer requesting service under this off-peak demand rate must provide a signed agreement for service to EPE prior to January 1 of the initial year of taking service under the agreement. After the initial calendar year, the agreement will automatically renew for the subsequent calendar year unless the Customer provides written notice to the Company of their cancellation of service under this off-peak demand rate on or before December 1 prior to the renewal year.

The Company, at its option, may request payment for any special metering installation costs required for the Customer to take service under this TOD demand rate.

Customer Charge (per meter per month)	$104.68

Secondary Voltage	**Summer** (June through September)	**Non-Summer** (October through May)
Demand Charge per Billing kW		

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 04
CANCELLING SIXTEENTH REVISED RATE NO. 04

GENERAL SERVICE RATE
X

On-Peak Period	$26.20	----------
Off-Peak Period	$20.46	12.67
Energy Charge per kWh		
On-Peak Period	$0.25918	----------
Off-Peak Period	$0.01975	$0.02010

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

Determination of Billing Demand – Experimental TOD Demand Rate

Maximum demand will be defined as the highest thirty (30) minute average kW load determined by measurement.

The billing demand will be the highest of:

(a) the Maximum Demand occurring in the On-Peak Period; or
(b) the Maximum Demand occurring in the Off-Peak Period; or
(c) the demand ratchet of 60% of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period; or
(d) 15 kW.

The billing demands under (c) and (d), will be prorated based on number of hours in the On-Peak Period and in the Off-Peak Period during the billing month.

The Company will reset the demand ratchet for customers installing Distributed Generation (DG) and/or storage following interconnection of the DG and/or storage, restarting the historical demand used for purposes of applying the tariffed demand ratchet.

POWER FACTOR ADJUSTMENT

For Maximum Demands of 250 kW and above, if the power factor at the time of Maximum Demand is below 90% lagging, a power factor adjustment shall be calculated as follows:

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 04
CANCELLING SIXTEENTH REVISED RATE NO. 04

GENERAL SERVICE RATE
X

ADJ = ((kW x .95 / PF) – kW) x DC, where
ADJ = Increase to applicable Demand Charge,
kW = Maximum Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge.

METER VOLTAGE ADJUSTMENT

If electric service is delivered on the high voltage side of a Customer-supplied transformer and is metered on the low voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum Demand = Maximum Demand multiplied by 1.014
Billing kilowatt-hours = Metered kilowatt-hours multiplied by 1.022

If electric service is delivered on the low voltage side of a Company-owned transformer and is metered on the high voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum Demand = Maximum Demand divided by 1.014
Billing kilowatt-hours = Metered kilowatt-hours divided by 1.022

FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to the provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

TAX ADJUSTMENT

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 04
CANCELLING SIXTEENTH REVISED RATE NO. 04

GENERAL SERVICE RATE
X

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

WHOLE SERVICE ELECTRIC VEHICLE (WSEV) RATE RIDER INCENTIVE CREDIT

STANDARD SERVICE INCENTIVE CREDIT: $0.00176 / kWh

SUPER OFF-PEAK HOURS: 12:00 am to 8:00 am, Monday – Sunday, Year Round

PROGRAM DESCRIPTION: Energy usage during the hours listed above, but not exceeding the total energy usage billed, will be multiplied by the Incentive Credit rate to calculate the incentive credit presented on the monthly bill. Energy usage for all hours will be charged at the applicable Rate No. 04 rate.

RATE QUALIFICATIONS: Customers must have a qualifying plug-in electric vehicle that is registered with the New Mexico Motor Vehicle Division using the same service address as the EPE residential or commercial account.

LIMITATION: The incentive credit shall not cause the customer bill to fall below the Monthly Minimum Charge Provision applicable on this rate, excluding Purchase Power and Fuel (FPPCAC).

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 04
CANCELLING SIXTEENTH REVISED RATE NO. 04

GENERAL SERVICE RATE
X

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

The Customer and the Company will determine whether a new Customer qualifies under this rate schedule.

If the Customer’s Maximum Demand exceeds 799 kW in the current month and previous month, the Customer shall no longer be eligible for service under this rate schedule and shall be placed on Rate No. 09 – Large Power Service starting with the following billing month. After a minimum of twelve (12) months on Rate No. 09 – Large Power Service , a determination will be made by the Company for the Customer’s applicable rate schedule.

If the Customer's Maximum Demand falls below 50 kW in the current month and previous month, the Customer shall no longer be eligible for service under this rate schedule and shall be placed on Rate No. 03 – Small General Service Rate starting with the following billing month. After a minimum of twelve (12) months on Rate No. 03 – Small General Service Rate, should the Customer's Maximum Demand exceed 50 kW in any two (2) consecutive months thereafter, the Customer shall be returned to Rate No. 04 – General Service.

Any new Customer that has not established a prior service history with the Company shall be classified under the appropriate rate schedule in accordance with a demand estimate performed by the Company.

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

THERMAL ENERGY STORAGE (TES) RIDER

This rider is available to Customers with separately metered TES Systems whose Maximum Demand does not exceed the Maximum Demand of the building after completion of the necessary contract arrangements and installation of the necessary metering equipment. The billing demand for this separately metered load will be the Maximum Demand established during the On-Peak Period.

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 04
CANCELLING SIXTEENTH REVISED RATE NO. 04

GENERAL SERVICE RATE
X

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, June through September. The Off-Peak Period shall be all other hours not covered in the On-Peak Period.

No other options or riders are applicable to consumption covered under this rider. Both separately metered TES systems and total building loads must be served under this rate.

The Company reserves the right to close this rider to additional customers if, in the Company's judgment, system load characteristics no longer warrant such a rider.

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 05
CANCELLING SIXTEENTH REVISED RATE NO. 05

IRRIGATION SERVICE RATE
X

APPLICABILITY

This rate schedule is available for service to irrigation water pumps dedicated solely for irrigation water pumping. Only irrigation water pump Maximum Demand of five (5) kW or larger will be served under this rate schedule.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at one point of delivery designated by the Company. Electric energy will be measured by a single meter, or measuring device, of each kind needed.

MONTHLY RATES

PHASE 1 (Expires September 30, 2027)

STANDARD SERVICE RATE

The Standard Service Rate is closed to new service applications. New service applications and restarts of a prior terminated service under this rate schedule will be required to take service under the TOD Rate.

Customer Charge (per meter per month)	$18.67

Energy Charge per kWh	**Summer** (June through September)	**Non-Summer** (October through May)
All kWh	$0.09320	$0.07825

TIME-OF-DAY (TOD) RATE

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 05
CANCELLING SIXTEENTH REVISED RATE NO. 05

IRRIGATION SERVICE RATE
X

The TOD Rate will be required for all new service applications and restarts of a prior terminated service under this rate schedule. The TOD Rate is optional for existing customers with service under the Standard Service Rate.

Customer Charge (per meter per month)	$18.67

In the event an existing Customer terminates service prior to the end of the current twelve (12) month period since the initiation of service under the TOD Rate, the remaining portion of the unpaid monthly Customer Charges will be assessed and due with the final bill.

Energy Charges per kWh	**Summer** (June through September)	**Non-Summer** (October through May)
On-Peak Period	$0.22606	-------
Off-Peak Period	$0.07191	$0.07825

PHASE 2 (Effective October 1, 2027)

STANDARD SERVICE RATE

The Standard Service Rate is closed to new service applications. New service applications and restarts of a prior terminated service under this rate schedule will be required to take service under the TOD Rate.

Customer Charge (per meter per month)	$18.67

Energy Charge per kWh	**Summer** (June through September)	**Non-Summer** (October through May)
All kWh	$0.11731	$0.09937

TIME-OF-DAY (TOD) RATE

The TOD Rate will be required for all new service applications and restarts of a prior terminated service under this rate schedule. The TOD Rate is optional for existing customers with service under the Standard Service Rate.

Customer Charge (per meter per month)	$18.67

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 05
CANCELLING SIXTEENTH REVISED RATE NO. 05

IRRIGATION SERVICE RATE
X

In the event an existing Customer terminates service prior to the end of the current twelve (12) month period since the initiation of service under the TOD Rate, the remaining portion of the unpaid monthly Customer Charges will be assessed and due with the final bill.

Energy Charges per kWh	**Summer** (June through September)	**Non-Summer** (October through May)
On-Peak Period	$0.25008	-------
Off-Peak Period	$0.09593	$0.09937

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

The Customer that elects to take service under the TOD Rate, must do so for a minimum of twelve (12) months. For all customers that elect the TOD Rate, if, at the conclusion of that initial twelve (12) month period of consecutive service under the TOD Rate, the total billings for the 12-month period exceed billings for the same period under the Standard Service Rate, the Company will credit the customer for the difference in billings and the Customer may opt to revert to the Standard Service Rate.

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge plus Other Non-Consumption Based Applicable Riders, and Tax Adjustment.

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to the provisions of those

EL PASO ELECTRIC COMPANY

SEVENTEENTH REVISED RATE NO. 05
CANCELLING SIXTEENTH REVISED RATE NO. 05

IRRIGATION SERVICE RATE
X

riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

Maximum Demand is defined as the highest measured thirty (30) minute average kilowatt (kW) load. The Company at its option shall install metering equipment to measure the Customer's Maximum Demand for purposes of determining the applicability of this rate schedule.

EL PASO ELECTRIC COMPANY
FOURTEENTH REVISED RATE NO. 07 X
CANCELLING THIRTEENTH REVISED RATE NO. 07 X

CITY AND COUNTY SERVICE RATE

APPLICABILITY

This rate schedule is closed to all new service applications.

The rate schedule is limited to public schools, and to the municipal and county customer service points currently taking service under this rate schedule. No reconnections of existing service points, new customers, or new service points shall be allowed to take service under this rate schedule.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MONTHLY RATES

STANDARD SERVICE RATE

Customer Charge (per month per Meter)	$17.78	X

Demand and Energy Charges	**Summer** (June through September)	**Non-Summer** (October through May)	
Demand Charge per Billing kW	$23.83	$14.58	X
Energy Charge per kWh	$0.05130	$0.02390	X

TIME OF DAY (TOD) RATE

Customer Charge (per meter per month)	$17.78	X

Demand and Energy Charges	**Summer** (June through September)	**Non-Summer** (October through May)	
Demand Charge	$23.83	$14.58	X
Energy Charge per kWh			

EL PASO ELECTRIC COMPANY
FOURTEENTH REVISED RATE NO. 07 X
CANCELLING THIRTEENTH REVISED RATE NO. 07 X

CITY AND COUNTY SERVICE RATE

On-Peak Period	$0.20504	---------	X
Off-Peak Period	$0.02390	$0.02390	X

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

The Customer that elects to take service under the TOD Rate, must do so for a minimum of twelve (12) consecutive months. For all customers that elect the TOD Rate, if, at the conclusion of that initial twelve (12) month period of service under the TOD Rate, the total billings for the 12-month period exceed billings for the same period under the Standard Service Rate, the Company will credit the customer for the difference in billings and the Customer may opt to revert to the Standard Service Rate.

X

RESERVED DISTRIBUTION CAPACITY SERVICE CHARGE X

X

A Reserved Distribution Capacity Service Charge will be billed to the Customer during the months that reservation of distribution system capacity is utilized by the Customer. The Contract Capacity for the purpose of this charge shall be the amount of distribution system capacity, expressed in kilowatts (kW), that the Customer requests the Company to reserve. X X X X

X

Reserved Distribution Capacity Service Charge	Primary Voltage	
Per kW of Contract Capacity	See Applicable Demand Charge Above	X

X

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge plus Demand Charge and Reserved Distribution Capacity Service Charge, Other Non-Consumption Based Applicable Riders, and Tax Adjustment. X X

DETERMINATION OF BILLING DEMAND

Maximum Demand is defined as the highest measured thirty (30) minute interval kW load. X

The billing demand (in kW) will be the highest of:

EL PASO ELECTRIC COMPANY
FOURTEENTH REVISED RATE NO. 07 X
CANCELLING THIRTEENTH REVISED RATE NO. 07 X

CITY AND COUNTY SERVICE RATE

(a) the Maximum Demand; or
(b) the demand ratchet of 65 % of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period.

The Company will reset the demand ratchet for customers installing Distributed Generation (DG) and/or storage following interconnection of the DG and/or storage, restarting the historical demand used for purposes of applying (b) above.

FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering X provision will be applied by TOD period. X

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to the provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be X applied by TOD period. X

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

WHOLE SERVICE ELECTRIC VEHICLE (WSEV) RATE RIDER INCENTIVE CREDIT

STANDARD SERVICE INCENTIVE CREDIT: $0.01266 / kWh

SUPER OFF-PEAK HOURS: 12:00 am to 8:00 am, Monday – Sunday, Year Round

PROGRAM DESCRIPTION: Energy usage during the hours listed above, but not exceeding the total energy usage billed, will be multiplied by the Incentive Credit rate to calculate the incentive X

EL PASO ELECTRIC COMPANY
FOURTEENTH REVISED RATE NO. 07 X
CANCELLING THIRTEENTH REVISED RATE NO. 07 X

CITY AND COUNTY SERVICE RATE

credit presented on the monthly bill. Energy usage for all hours will be charged at the applicable Rate No. 07 rate. X

RATE QUALIFICATIONS: Customers must have a qualifying plug-in electric vehicle that is registered with the New Mexico Motor Vehicle Division using the same service address as the EPE residential or commercial account. Qualifying accounts must provide proof of EV registration.

X

LIMITATION: The incentive credit shall not cause the customer bill to fall below the Monthly Minimum Charge Provision applicable on this rate, excluding Purchase Power and Fuel (FPPCAC).

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

THERMAL ENERGY STORAGE (TES) RIDER

This rider is available to Customers with existing, separately metered TES Systems whose Maximum Demand does not exceed the Maximum Demand of the building after completion of the necessary contract arrangements and installation of the necessary metering equipment. The billing demand for this separately metered load will be the Maximum Demand established during the On-Peak Period.

EL PASO ELECTRIC COMPANY
FOURTEENTH REVISED RATE NO. 07 X
CANCELLING THIRTEENTH REVISED RATE NO. 07 X

CITY AND COUNTY SERVICE RATE

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, June through September. The Off-Peak period shall be all other hours not covered in the on-peak Period.

No other options or riders are applicable to consumption covered under this rider. Both separately metered TES systems and total building loads must be served under this rate schedule.

The Company reserves the right to close this rider to additional Customers if, in the Company's judgment, system load characteristics no longer warrant such a rider.

EL PASO ELECTRIC COMPANY

FOURTEENTH REVISED RATE NO. 08 X
CANCELLING THIRTEENTH REVISED RATE NO. 08 X

WATER, SEWAGE, STORM SEWAGE PUMPING
OR SEWAGE DISPOSAL RATE

APPLICABILITY

This rate schedule is limited for service to an incorporated village, town, county, municipality, and public authority, which provides for water pumping, sewage pumping, storm sewage pumping, or sewage disposal plant usage only.

X
X
X

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE:

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or measuring device, of each kind needed.

MONTHLY RATES

STANDARD SERVICE RATE

Customer Charge (per meter per month)	$23.11	X

Energy Charge per kWh	**Summer** (June through September)	**Non-Summer** (October through May)	
Secondary Voltage	$0.08217	$0.05190	X
Primary Voltage	$0.07750	$0.04723	X

TIME OF DAY (TOD) RATE

Customer Charge (per meter per month)	$23.11	X

Secondary Voltage	**Summer**	**Non-Summer**	
Energy Charge per kWh			
On-Peak Period	$0.23793	-------	X

EL PASO ELECTRIC COMPANY

FOURTEENTH REVISED RATE NO. 08 X
CANCELLING THIRTEENTH REVISED RATE NO. 08 X

WATER, SEWAGE, STORM SEWAGE PUMPING OR SEWAGE DISPOSAL RATE

Off-Peak Period	$0.06223	$0.05190	X

Primary Voltage	**Summer**	**Non-Summer**	
Energy Charge per kWh			
On-Peak	$0.23207	-------	X
Off-Peak	$0.05702	$0.04723	X

The Summer period shall be the months of June through September. The Non-Summer period shall be all other months. The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

The Customer that elects to take service under the TOD Rate, must do so for a minimum of twelve (12) consecutive months. For all customers that elect the TOD Rate, if, at the conclusion of that initial twelve (12) month period of service under the TOD Rate, the total billings for the 12-month period exceed billings for the same period under the Standard Service Rate, the Company will credit the customer for the difference in billings and the Customer may opt to revert to the Standard Service Rate.

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge plus Other Non-Consumption Based Applicable Riders, and Tax Adjustment. X

METER VOLTAGE ADJUSTMENT

If electric service is delivered on the high voltage side of a Customer-supplied transformer and metered on the low voltage side of the transformer, the following meter adjustments shall be made:

Billing kilowatt-hours = Metered kilowatt-hours multiplied by 1.022

If electric service is delivered on the low voltage side of a Company-owned transformer but metered on the high voltage side of the transformer, the following meter adjustments shall be made:

Billing kilowatt-hours = Metered kilowatt-hours divided by 1.022

EL PASO ELECTRIC COMPANY

FOURTEENTH REVISED RATE NO. 08 X
CANCELLING THIRTEENTH REVISED RATE NO. 08 X

WATER, SEWAGE, STORM SEWAGE PUMPING
OR SEWAGE DISPOSAL RATE

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering X
provision will be applied by TOD period. X

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to the provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be X
applied by TOD period. X

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations, on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

The term of service under this rate schedule shall not be less than one (1) year.

EL PASO ELECTRIC COMPANY

FOURTEENTH REVISED RATE NO. 09 X
CANCELLING THIRTEENTH REVISED RATE NO. 09 X

LARGE POWER SERVICE RATE

APPLICABILITY

This rate schedule is available to all Customers for lighting, power, and heating service and where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. Service under this rate schedule shall be limited to Customers who otherwise do not qualify for service under the Company's other rate schedules and whose Maximum Demand for any two (2) consecutive months during the current month and previous eleven (11) month period was not less than 800 kilowatts (kW).

X
X
X
X

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MONTHLY RATES

Customer Charge (per meter per month)		$1,477.02	X

Secondary Voltage	**Summer**	**Non-Summer**	
Demand Charge per Billing kW	$21.95	$16.19	X
Energy Charge per kWh			
On-Peak Period	$0.14542	-------	X
Off-Peak Period	$0.01135	$0.01135	X

Primary Voltage	**Summer**	**Non-Summer**	
Demand Charge per Billing kW	$20.26	$14.50	X
Energy Charge per kWh			
On-Peak Period	$0.14031	-------	X
Off-Peak Period	$0.01135	$0.01135	X

EL PASO ELECTRIC COMPANY

FOURTEENTH REVISED RATE NO. 09 X
CANCELLING THIRTEENTH REVISED RATE NO. 09 X

LARGE POWER SERVICE RATE

Transmission Voltage	**Summer**	**Non-Summer**	
Demand Charge per Billing kW	$17.72	$11.96	X
Energy Charge per kWh			
On-Peak Period	$0.11699	-------	X
Off-Peak Period	$0.01135	$0.01135	X

The Summer period shall be the months of June through September. The Non-Summer period shall be all other months. The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

RESERVED DISTRIBUTION CAPACITY SERVICE CHARGE X

X

A Reserved Distribution Capacity Service Charge will be billed to the Customer during the months X
that reservation of distribution system capacity is utilized by the Customer. The Contract Capacity X
for the purpose of this charge shall be the amount of distribution system capacity, expressed in X
kilowatts (kW), that the Customer requests the Company to reserve. X

X

Reserved Distribution Capacity Service Charge	**Primary Voltage**	
Per kW of Contract Capacity	See Applicable Demand Charge Above	X

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge plus Demand Charge and Reserved X
Distribution Capacity Service Charge, Other Non-Consumption Based Applicable Riders, and Tax X
Adjustment.

DETERMINATION OF BILLING DEMAND

Maximum Demand is defined as the highest measured thirty (30) minute interval kW load. X

The billing demand (in kW) will be the highest of:

(a) the Maximum Demand, adjusted by the Meter Voltage Adjustment, if applicable; or

EL PASO ELECTRIC COMPANY

FOURTEENTH REVISED RATE NO. 09 X
CANCELLING THIRTEENTH REVISED RATE NO. 09 X

LARGE POWER SERVICE RATE

(b) the demand ratchet of 65% of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period; or
(c) 800 kW.

The Company will reset the demand ratchet for customers installing Distributed Generation (DG) and/or storage following interconnection of the DG and/or storage, restarting the historical demand used for purposes of applying (b) above. This Determination of Billing Demand is not applicable to customers eligible under the Demand Adjustment Rider of this rate schedule.

POWER FACTOR ADJUSTMENT

If the power factor at the time of Maximum Demand is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = ((kW x .95 / PF) – kW) x DC, where
ADJ = Increase to applicable Demand Charge,
kW = Maximum Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge.

DEMAND ADJUSTMENT RIDER

This rider is available to qualifying separately metered Transportation Electrification (TE) Public Charging sites and is an adjustment to the billing demand. In the event the Maximum Demand for the billing period results in a load factor (LF) less than a 15%, based on the same billing period's energy consumption (kWh), the billing demand (kW) for the billing period will be calculated as follows:

BD = kWh / (LF * 24 * Days)
Where,
BD = Billing Demand
kWh = Monthly energy consumption
LF = 15%
24 = Hours in a day
Days = Days in billing period

EL PASO ELECTRIC COMPANY

FOURTEENTH REVISED RATE NO. 09 X
CANCELLING THIRTEENTH REVISED RATE NO. 09 X

LARGE POWER SERVICE RATE

If the Maximum Demand for the billing month results in a LF equal to or greater than 15%, based on the same billing month's energy consumption (kWh), the billing demand (kW) will be calculated pursuant to the Determination of Billing Demand.

METER VOLTAGE ADJUSTMENT

If electric service is delivered on the high voltage side of a Customer-supplied transformer and is metered on the low voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum Demand = Maximum Demand multiplied by 1.014 X
Billing kilowatt-hours = Metered kilowatt-hours multiplied by 1.022

If electric service is delivered on the low voltage side of a Company-owned transformer and is metered on the high voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum Demand = Maximum Demand divided by 1.014 X
Billing kilowatt-hours = Metered kilowatt-hours divided by 1.022

FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering X
provision will be applied by TOD period. X

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by X
TOD period.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied

EL PASO ELECTRIC COMPANY

FOURTEENTH REVISED RATE NO. 09 X
CANCELLING THIRTEENTH REVISED RATE NO. 09 X

LARGE POWER SERVICE RATE

or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

X
X
X

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices. Any contract provisions shall also apply to service under this rate schedule.

The Customer and the Company will determine whether a new Customer qualifies for this rate schedule.

If the Customer's Maximum Demand falls below 800 kW in the current month and previous month X
, the Customer shall no longer be eligible for service under this rate schedule and shall be placed X
on Rate No. 04 – General Service Rate or Rate No. 03 – Small General Service, as applicable,
starting with the following billing month. After a minimum of twelve (12) months on the applicable X
rate schedule, should the Customer's Maximum Demand exceed 799 kW in any two (2) X
consecutive months thereafter, the Customer shall be returned to Rate No. 09 – Large Power Service.

Any new Customer that has not established a prior service history with the Company shall be classified under the appropriate rate schedule in accordance with a demand estimate performed by the Company.

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

EL PASO ELECTRIC COMPANY

FOURTEENTH REVISED RATE NO. 09 X
CANCELLING THIRTEENTH REVISED RATE NO. 09 X

LARGE POWER SERVICE RATE

THERMAL ENERGY STORAGE (TES) RIDER

This rider is available to Customers with separately metered TES Systems whose Maximum Demand does not exceed the Maximum Demand of the building after completion of the necessary contract arrangements and installation of the necessary metering equipment. The billing demand for this separately metered load will be the Maximum Demand established during the On-Peak Period.

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, June through September. The Off-Peak period shall be all other hours not covered in the On-Peak Period.

No other options or riders are applicable to consumption covered under this rider. Both separately metered TES and total building loads must be served under this rate schedule.

The Company reserves the right to close this rider to additional customers if, in the Company's judgment, system load characteristics no longer warrant such a rider.

EL PASO ELECTRIC COMPANY

SIXTEENTH REVISED RATE NO. 10
CANCELLING FIFTEENTH REVISED RATE NO. 10

MILITARY RESEARCH AND DEVELOPMENT POWER RATE
X

APPLICABILITY

This rate schedule is available only to military installations whose primary mission is research and development, and who contract for a minimum billing demand of 6,000 kilowatts (kW) for a period of not less than ten (10) years.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company. All service will be taken at a single point of delivery designated by the Company.

MONTHLY RATES

PHASE 1 (Expires September 30, 2027)

OPTION A: STANDARD SERVICE RATE

Customer Charge (per meter per month)	$3,205.35

Demand and Energy Charges	Summer	Non-Summer
Demand Charge per Billing kW	$23.81	$10.76
Energy Charge per kWh		
On-Peak Period	$0.14039	-------
Off-Peak Period	$0.01104	$0.01104

OPTION B: ENHANCED SERVICE RATE (Partial Requirements Met With Company-Owned Renewable)

Customer Charge (per meter per month)	$2,326.99

Demand and Energy Charges	Summer	Non-Summer
Demand Charge per Billing kW	$18.29	$8.10
Energy Charge per kWh		
On-Peak Period	$0.09885	-------

EL PASO ELECTRIC COMPANY

SIXTEENTH REVISED RATE NO. 10
CANCELLING FIFTEENTH REVISED RATE NO. 10

MILITARY RESEARCH AND DEVELOPMENT POWER RATE
X

Off-Peak Period	$0.00764	$0.00764

<u>PHASE 2 (Effective October 1, 2027)</u>

<u>OPTION A: STANDARD SERVICE RATE</u>

Customer Charge (per meter per month)	$3,205.35

Demand and Energy Charges	**Summer**	**Non-Summer**
Demand Charge per Billing kW	$23.81	$10.76
Energy Charge per kWh		
On-Peak Period	$0.14039	-------
Off-Peak Period	$0.01104	$0.01104

<u>OPTION B: ENHANCED SERVICE RATE (Partial Requirements Met With Company-Owned Renewable)</u>

Customer Charge (per meter per month)	$3,119.13

Demand and Energy Charges	**Summer**	**Non-Summer**
Demand Charge per Billing kW	$23.50	$11.49
Energy Charge per kWh		
On-Peak Period	$0.13250	-------
Off-Peak Period	$0.01024	$0.01024

The Summer period shall be the months of June through September. The Non-Summer period shall be all other months. The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period.

<u>MONTHLY MINIMUM CHARGE</u>

The Monthly Minimum Charge is the Customer Meter Charge plus Demand Charge, and Other Non-Consumption Based Applicable Riders.

EL PASO ELECTRIC COMPANY

SIXTEENTH REVISED RATE NO. 10
CANCELLING FIFTEENTH REVISED RATE NO. 10

MILITARY RESEARCH AND DEVELOPMENT POWER RATE
X

DETERMINATION OF BILLING DEMAND

Maximum Demand is defined as the highest measured thirty (30) minute interval kW load. If service is taken at more than one point, Maximum Demand shall be determined conjunctively.

The billing demand (in kW) will be the highest of:

(a) the Maximum Demand, adjusted by the Metering Adjustment provision, if applicable; or
(b) the demand ratchet of 65% of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period; or
(c) 6,000 kW.

TEMPORARY OFF-PEAK DEMAND

If the Customer requires off-peak demand above the current annual peak for the installation, and if,

(1) The increase in demand (defined as the amount the required demand exceeds the current annual demand peak) is coordinated with the Company, and
(2) The increase in demand is for a short term only (not to exceed ten (10) days in any one billing period), and
(3) The increase in demand does not exceed the Company's capabilities or require changes in the Company's service facilities, and
(4) The required increase in demand will fall outside of the Company's daily peak load period of 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, during the months of June through September, unless mutually agreeable otherwise, and
(5) The Company is given reasonable advance written notice of the required increase in demand, then

That portion of the increase in demand that does not exceed 25 percent of the previous annual demand peak shall be waived by the Company for billing purposes. However, any demand above 125 percent of the current annual demand peak shall be included in the bill for the appropriate billing period. In no case will the demand established by the short-term increase be used by the Company in applying the demand ratchet. As used herein, "annual demand peak" is the Maximum Demand established by the Customer over the past twelve (12) months, ending with the current month.

EL PASO ELECTRIC COMPANY

SIXTEENTH REVISED RATE NO. 10
CANCELLING FIFTEENTH REVISED RATE NO. 10

MILITARY RESEARCH AND DEVELOPMENT POWER RATE
X

POWER FACTOR ADJUSTMENT

If the power factor at the time of Maximum Demand is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = ((kW x .95 / PF) – kW) x DC, where
ADJ = Increase to applicable Demand Charge,
kW = Maximum Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge.

METERING ADJUSTMENT

The Company may, at its option, meter the Customer's electrical usage on the low side of the substation transformer, in which case the metered quantities will be increased for each meter location as follows:

White Sands Missile Range	
Post Area	kW 1.001423 kWh 18608 + (metered kWh x 1.001423)
AMRAD	kW 1.000307 kWh 12253 + (metered kWh x 1.000307)
MAR	kW 1.000723 kWh 22448 + (metered kWh x 1.000723)
ALA-5	Primary Metering
Communications Support Facility	Primary Metering
EMRLD	kW 1.00008398 kWh 6059 + (metered kWh x 1.00008398)
Holloman	Adjusted as required for scheduled delivery WAPA energy and demand

PROTECTIVE EQUIPMENT

Customer shall provide, at the Customer’s expense, suitable relaying equipment and devices as specified by the Company so as to protect the Company's system and its service to other electric users from disturbance or faults that may occur on Customer's system and equipment.

EL PASO ELECTRIC COMPANY

SIXTEENTH REVISED RATE NO. 10
CANCELLING FIFTEENTH REVISED RATE NO. 10

MILITARY RESEARCH AND DEVELOPMENT POWER RATE
X

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices. The contract provisions shall also apply to service under this rate schedule.

The Customer and the Company will determine whether a new Customer qualifies for this rate schedule.

If the Customer’s Maximum Demand is below 6,000 kW during the current month and previous eleven (11) month period and the Customer’s load is expected to remain at that level of demand, the Customer shall no longer be eligible for service under this rate and shall be placed on Rate No. 09 – Large Power Service Rate or Rate No. 04 – General Service Rate, as applicable.

EL PASO ELECTRIC COMPANY

SIXTEENTH REVISED RATE NO. 10
CANCELLING FIFTEENTH REVISED RATE NO. 10

MILITARY RESEARCH AND DEVELOPMENT POWER RATE
X

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 11
CANCELLING FOURTEENTH REVISED RATE NO. 11

STREET LIGHTING SERVICE RATE
X

APPLICABILITY

This rate schedule is available to any village, town, city, county, state governmental agency, or private subdivision for street lighting purposes only.

Incidental usage for auxiliary devices, including cameras, sensors, gunshot detection technology and other public safety equipment, is permitted under this rate schedule only for municipality street lighting accounts, providing the installations are approved by the Company in advance and will have only incidental usage. Costs for consumption for such additions are anticipated to be captured on metered service accounts. Costs for additions to non-metered accounts will be subject to update in a subsequent general rate case.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

MONTHLY RATES

Company-Owned

OVERHEAD WIRING SYSTEM ON WOOD POLES				
Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Single Fixture Monthly Lamp Charge
175W	MV*	7,000	195W	$ 15.09
250W	MV*	11,000	275W	$ 17.85
400W	MV*	20,000	450W	$ 24.77
150W	HPSV	14,400	193W	$ 15.24
250W	HPSV	23,200	313W	$ 19.73
400W	HPSV	45,000	485W	$ 26.75
31W – 50W	LED	14,400	31W – 50W	$ 10.56
51W – 100W	LED	23,200	51W – 100W	$ 13.26

OVERHEAD WIRING SYSTEM ON METAL POLES				
Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Single Fixture Monthly Lamp Charge
150W	HPSV	14,400	193W	$ 20.05
250W	HPSV	23,200	313W	$ 24.54
400W	HPSV	45,000	485W	$ 34.00

Amended Filing

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 11
CANCELLING FOURTEENTH REVISED RATE NO. 11

STREET LIGHTING SERVICE RATE
X

31W – 50W	LED	14,400	31W – 50W	$ 13.90
51W – 100W	LED	23,200	51W – 100W	$ 16.61

UNDERGROUND WIRING SYSTEM ON METAL POLES				
Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Single Fixture Monthly Lamp Charge
150W	HPSV	14,400	193W	$ 25.28
250W	HPSV	23,200	313W	$ 29.76
400W	HPSV	45,000	485W	$ 36.16
31W – 50W	LED	14,400	31W – 50W	$ 18.43
51W – 100W	LED	23,200	51W – 100W	$ 21.13

UNDERGROUND WIRING SYSTEM ON WOOD POLES				
Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Single Fixture Monthly Lamp Charge
150W	HPSV	14,400	193W	$ 17.76
250W	HPSV	23,200	313W	$ 22.24
400W	HPSV	45,000	485W	$ 28.46
31W – 50W	LED	14,400	31W – 50W	$ 14.28
51W – 100W	LED	23,200	51W – 100W	$ 16.98

City-Owned

MUNICIPAL WIRING SYSTEM				
Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Single Fixture Monthly Lamp Charge
175W	MV*	7,000	195W	$ 3.61
400W	MV*	20,000	450W	$ 8.34
150W	HPSV	14,400	175W	$ 3.23
180W	HPSV	19,800	250W	$ 4.62
250W	HPSV	23,200	313W	$ 5.79
250W	HPSV	33,000	365W	$ 6.74
400W	HPSV	45,000	485W	$ 8.95

*Refer to the Mercury Vapor Closed to New Installations and Mercury Vapor Fixture Replacement Schedule sections of this rate schedule.

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 11
CANCELLING FOURTEENTH REVISED RATE NO. 11

STREET LIGHTING SERVICE RATE
X

MONTHLY RATES

Street Lights- Light Emitting Diode ("LED")

NON-COMPANY -OWNED- COMPANY OPERATED & MAINTAINED- LIGHT EMITTING DIODE (LED) -WOOD

Wattage Ranges	Per Lamp Charge
1W - 20W LED (SECONDARY LIGHTING ONLY)	$12.32
21W - 30W LED (SECONDARY LIGHTING ONLY)	$12.83
31W - 40W LED (SECONDARY LIGHTING ONLY)	$13.16
41W - 50W LED (SECONDARY LIGHTING ONLY)	$13.50
51W - 60W LED (SECONDARY LIGHTING ONLY)	$13.91
61W - 70W LED (SECONDARY LIGHTING ONLY)	$14.25
71W - 80W LED (SECONDARY LIGHTING ONLY)	$15.58
81W - 90W LED (SECONDARY LIGHTING ONLY)	$15.92
91W - 100W LED (SECONDARY LIGHTING ONLY)	$16.99
101W - 110W LED (SECONDARY LIGHTING ONLY)	$17.34
111W - 130W LED (SECONDARY LIGHTING ONLY)	$18.89
131W - 150W LED (SECONDARY LIGHTING ONLY)	$19.56
151W - 170W LED (SECONDARY LIGHTING ONLY)	$20.24
171W - 190W LED (SECONDARY LIGHTING ONLY)	$20.54
191W - 210W LED (SECONDARY LIGHTING ONLY)	$21.21
211W - 230W LED (SECONDARY LIGHTING ONLY)	$21.89
231W - 250W LED (SECONDARY LIGHTING ONLY)	$22.95
251W - 270W LED (SECONDARY LIGHTING ONLY)	$23.63
271W - 300W LED (SECONDARY LIGHTING ONLY)	$24.47

NON-COMPANY -OWNED- COMPANY OPERATED & MAINTAINED- LIGHT EMITTING DIODE (LED) -METAL

Wattage Ranges	Per Lamp Charge
1W - 20W LED (SECONDARY LIGHTING ONLY)	$26.42
21W - 30W LED (SECONDARY LIGHTING ONLY)	$26.93
31W - 40W LED (SECONDARY LIGHTING ONLY)	$27.27

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 11
CANCELLING FOURTEENTH REVISED RATE NO. 11

STREET LIGHTING SERVICE RATE
X

41W - 50W LED (SECONDARY LIGHTING ONLY)	$27.61
51W - 60W LED (SECONDARY LIGHTING ONLY)	$28.01
61W - 70W LED (SECONDARY LIGHTING ONLY)	$28.36
71W - 80W LED (SECONDARY LIGHTING ONLY)	$29.69
81W - 90W LED (SECONDARY LIGHTING ONLY)	$30.03
91W - 100W LED (SECONDARY LIGHTING ONLY)	$31.09
101W - 110W LED (SECONDARY LIGHTING ONLY)	$31.44
111W - 130W LED (SECONDARY LIGHTING ONLY)	$33.00
131W - 150W LED (SECONDARY LIGHTING ONLY)	$33.67
151W - 170W LED (SECONDARY LIGHTING ONLY)	$34.35
171W - 190W LED (SECONDARY LIGHTING ONLY)	$34.64
191W - 210W LED (SECONDARY LIGHTING ONLY)	$35.32
211W - 230W LED (SECONDARY LIGHTING ONLY)	$36.00
231W - 250W LED (SECONDARY LIGHTING ONLY)	$37.05
251W - 270W LED (SECONDARY LIGHTING ONLY)	$37.73
271W - 300W LED (SECONDARY LIGHTING ONLY)	$38.57

ENERGY ONLY LIGHT EMITTING DIODE (LED)		
Total LED Watt Range		Single Fixture Monthly Lamp Charge
Minimum Lamp Wattage	Maximum Lamp Wattage	
1W	20W	$ 0.17
21W	30W	$ 0.41
31W	40W	$ 0.58
41W	50W	$ 0.74
51W	60W	$ 0.91
61W	70W	$ 1.07
71W	80W	$ 1.24
81W	90W	$ 1.40
91W	100W	$ 1.57
101W	110W	$ 1.73
111W	130W	$ 1.98
131W	150W	$ 2.31
151W	170W	$ 2.64
171W	190W	$ 2.97
191W	210W	$ 3.30
211W	230W	$ 3.63
231W	250W	$ 3.96

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 11
CANCELLING FOURTEENTH REVISED RATE NO. 11

STREET LIGHTING SERVICE RATE
X

251W	270W	$ 4.29
271W	300W	$ 4.71
301W	330W	$ 5.20
331W	360W	$ 5.70
361W	390W	$ 6.19
391W	420W	$ 6.69
421W	450W	$ 7.18
451W	480W	$ 7.68
481W	510W	$ 8.18
511W	540W	$ 8.67
541W	570W	$ 9.17

METERED INSTALLATIONS	
Monthly Customer Charge	$ 8.08
Energy Charge per kWh	$ 0.04636

MINIMUM CHARGE

The Monthly Minimum Charge is the Lamp Charge and Tax Adjustment.

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 11
CANCELLING FOURTEENTH REVISED RATE NO. 11

STREET LIGHTING SERVICE RATE
X

or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

SPECIAL CONDITIONS

The maximum mounting height of Company owned or Company maintained fixtures of less than 45,000 lumens shall not exceed 30 feet; the maximum mounting height of Company owned or Company maintained fixtures of 45,000 lumens shall not exceed 40 feet; and the maximum mounting height of fixtures of 60,000 lumens shall not exceed 50 feet. The charges listed are for standard fixtures. Charges for ornamental fixtures will be negotiated. Sizes shown are nominal lumen rating.

A. Installation and Ownership of Facilities:

Street lighting systems are installed, owned and maintained by the Company. The service to each location is not to exceed 150 feet. Only Company specified standard street lighting components are used in the installations. In areas with overhead electric distribution lines, street lights are installed on existing wood poles. Alternatively, the Company will install one additional pole for each street light. The Company will install street lighting standards which are served underground only on main thoroughfares that are paved and have curbs and gutters.

Street lighting facilities will be relocated for the benefit or convenience of a Customer only when written approval of the new location is received from proper county or municipal authority, and the Customer making the request bears all relocation costs. In franchised areas, the Company may contract with the city, town or village to operate and maintain street lighting installed and owned by the State. In some cases, the Company may contract with a county for Interstate Highway lighting only. In the absence of such a contract, electric service for state-owned street lighting systems shall be provided under the Company's standard practice for metered services and billed under the applicable rate schedule.

B. Operation and Maintenance:

Company-owned system: The Company will perform normal operation and maintenance of the lighting system which includes routine maintenance, periodic lamp replacement and fixture servicing.

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 11
CANCELLING FOURTEENTH REVISED RATE NO. 11

STREET LIGHTING SERVICE RATE
X

It shall be the duty of the Customer to report to the Company the failure of any lamp to burn, or to burn adequately, and it shall thereafter be the obligation of the Company to restore such lamp to service. Any lamp so reported as failing to burn, or to burn adequately, shall be replaced or repaired (refer to the Mercury Vapor Replacement Schedule) and returned to regular operation within a reasonable period of time after notice of such failure to the Company.

C. Conversions:

Conversions of Mercury Vapor to High Pressure Sodium Vapor Street Lighting Service (refer to the Mercury Vapor Fixture Replacement Schedule):

Upon request by customer that Company-owned mercury vapor street lighting be converted to high pressure sodium street lighting, the following conditions will prevail:

1. The Customer will be advised by the Company that under such conversions where the lights have not reached their normal expected average service life (24 years) the Customer will be expected to pay the losses sustained by the Company due to the conversion, including current labor, engineering, transportation, supervision and fringe benefits for converting.

2. These charges will be a one-time lump sum charge to the Customer to be paid in advance and therefore will not be included in the rate structure for the new lights installed.

3. When conversions are performed and the Company-owned pole does not have to be replaced or moved, the monthly charge for the pole only is included in the total fixture cost per month. If poles have to be replaced or moved, new fixture costs will apply.

4. Mercury Vapor Closed To New Installations

   Mercury Vapor lamp categories are closed to new installations. Customers with existing fixtures which are non-repairable and must be replaced will have the option to convert their service to high pressure sodium vapor lamps or may cancel their service. However, a Customer request for conversion or replacement of existing, non-defective mercury vapor fixtures will be subject to all applicable costs of such conversion or replacement.

5. Mercury Vapor Fixture Replacement Schedule

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 11
CANCELLING FOURTEENTH REVISED RATE NO. 11

STREET LIGHTING SERVICE RATE
X

For Company owned lights, when existing mercury vapor fixtures require replacement, the Company will make such replacements with comparable high pressure sodium vapor lighting at no cost, as specified below.

OVERHEAD WIRING SYSTEM ON WOOD POLES

Existing Mercury Vapor Lighting			Sodium Vapor Replacement		
Lamp Wattage	Lamp Lumens	kWh	Lamp Wattage	Lamp Lumens	kWh
195W	7,000	70	175W	14,400	62
275W	11,000	98	175W	14,400	62
450W	20,000	160	250W	19,800	89

MUNICIPAL WIRING SYSTEM

Existing Mercury Vapor Lighting			Sodium Vapor Replacement		
Lamp Wattage	Lamp Lumens	kWh	Lamp Wattage	Lamp Lumens	kWh
195W	7,000	70	175W	14,400	62
450W	20,000	160	250W	19,800	89

At the time of the replacement, the Customer will be billed at the applicable rate schedule charge and associated kWh usage for the high pressure sodium vapor replacement lighting.

D. Services and Other Appurtenances

All lamps to be installed under the Company-owned rate schedule shall be installed by the Company on a block-to-block basis; provided, however, that in the event the Customer wants the Company to install a lamp or lamps, in an isolated area which cannot follow the block-to-block pattern, and such extension will involve a departure from such pattern, then and in such event the Customer shall be obligated to pay the Company the cost and expense coincident to the construction of the additional extension.

E. Termination

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 11
CANCELLING FOURTEENTH REVISED RATE NO. 11

STREET LIGHTING SERVICE RATE
X

Service to any lamp installed hereunder shall be terminated by the Company upon receipt of thirty (30) days' notice and, coincident with such notice, payment of the Company's depreciated investment per fixture.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 12
CANCELLING FOURTEENTH REVISED RATE NO. 12

PRIVATE AREA LIGHTING RATE

X

APPLICABILITY

This rate schedule is available to all customers with overhead outdoor lighting service under the conditions specified herein.

Incidental usage for auxiliary devices, including cameras, sensors, gunshot detection technology and other public safety equipment, is permitted under this rate schedule only for municipality private area lighting accounts, providing the installations are approved by the Company in advance and will have only incidental usage. Costs for consumption for such additions are anticipated to be captured on metered service accounts. Costs for additions to non-metered accounts will be subject to update in a subsequent general rate case.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Available for outdoor, all-night lighting service contracted for by the Customer for overhead service, automatically controlled, Mercury Vapor (MV) or High Pressure Sodium Vapor (HPSV) or Light Emitting Diode (LED) or Metal Halide (MH) lamps.

MONTHLY RATES

PHASE 1 (Expires September 30, 2027)

OVERHEAD WIRING SYSTEM ON WOOD POLES

Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Per Lamp Charge New Pole	Monthly Per Lamp Charge Existing Pole
175W	MV *	7,000	195W	$ 19.68	$ 13.16
250W	MV *	11,000	275W	$ 24.17	$ 17.64
400W	MV *	20,000	460W	$ 34.46	$ 27.94
100W	HPSV	8,500	124W	$ 15.94	$ 9.42
250W	HPSV	23,200	313W	$ 26.89	$ 20.37
150W	HPSV	14,400	193W	$ 19.80	$ 13.27
400W	HPSV	45,000	485W	$ 36.62	$ 29.61

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 12
CANCELLING FOURTEENTH REVISED RATE NO. 12

PRIVATE AREA LIGHTING RATE

X

31W – 100W	LED	14,400	65W	$ 12.81	$ 10.51

* Refer to the Mercury Vapor Closed to New Installations and Mercury Vapor Fixture Replacement Schedule sections of this rate schedule.

FLOODLIGHT SERVICE WITH COMPANY SUPPLIED POLES

Lamp Only Wattage	Pole Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
100W	HPS FL 35 ft. Pole	8,500	137W	$ 17.42
250W	HPS FL 35 ft. Pole	23,200	330W	$ 28.08
400W	HPS FL 35 ft. Pole	50,000	490W	$ 36.73
1000W	HPS FL 40 ft. Pole	119,500	1103W	$ 72.76
1000W	HPS FL 50 ft. Pole	119,500	1103W	$ 75.88

FLOODLIGHT SERVICE WITHOUT COMPANY SUPPLIED POLES

Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
100W	HPS FL 35 ft. Pole	8,500	137W	$ 10.93
250W	HPS FL 35 ft. Pole	23,200	330W	$ 21.59
400W	HPS FL 35 ft. Pole	45,000	490W	$ 30.25
1000W	HPS FL	119,500	1103W	$ 65.79

LIGHT-EMITTING DIODE FLOODLIGHT ON EXISTING WOOD POLE (DISTRIBUTION OR LIGHTING)				
Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
10W – 30W	LED		20W	$ 8.79
31W – 100W	LED	14,400	65W	$ 11.26
101W – 200W	LED	45,000	150W	$ 16.49
200W – 400W	LED	119,500	325W	$ 28.10

LIGHT-EMITTING DIODE FLOODLIGHT WITH NEW COMPANY-SUPPLIED WOOD POLE				
10W – 30W	LED 35 ft. Pole		20W	$ 11.05
31W – 100W	LED 35 ft. Pole	14,400	65W	$ 13.52
101W – 200W	LED 35 ft. Pole	45,000	150W	$ 18.75

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 12
CANCELLING FOURTEENTH REVISED RATE NO. 12

PRIVATE AREA LIGHTING RATE

X

200W – 400W	LED 35 ft. Pole	119,500	325W	$ 30.37
200W – 400W	LED 40 ft. Pole	119,500	325W	$ 30.85

FLOODLIGHT SERVICEMETAL HALIDE WITH POLES

Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
400W *	MH FL 35 ft. Pole	38,000	476W	$ 36.54
1000W	MH FL 40 ft. Pole	115,000	1100W	$ 72.36
1000W	MH FL 50 ft. Pole	115,000	1100W	$ 75.48

* The 400W-MH lamp is closed to new customers.

FLOODLIGHT SERVICE METAL HALIDE WITHOUT POLES

Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
400W *	MH FL	38,000	476W	$ 30.05
1000W	MH FL	115,000	1100W	$ 65.39

* The 400W-MH lamp is closed to new customers.

LIGHT-EMITTING DIODE FLOODLIGHT WITH NEW COMPANY-SUPPLIED 35 FT DIRECT EMBEDDED POLE FOR UG ONLY (BORDER LIGHTING ONLY)				
Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
250W-400W	LED	119,500	325W	$ 37.58
Dbl 250W-400W	LED	119,500	650W	$ 53.80

LIGHT-EMITTING DIODE FLOODLIGHT WITH NEW COMPANY-SUPPLIED 35 FT WOOD POLE FOR UG ONLY (BORDER LIGHTING ONLY)				
Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
250W-400W	LED	119,500	325W	$ 47.12
Dbl 250W-400W	LED	119,500	650W	$ 56.04

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 12
CANCELLING FOURTEENTH REVISED RATE NO. 12

PRIVATE AREA LIGHTING RATE

X

PHASE 2 (Effective October 1, 2027)

OVERHEAD WIRING SYSTEM ON WOOD POLES

Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Per Lamp Charge New Pole	Monthly Per Lamp Charge Existing Pole
175W	MV *	7,000	195W	$ 24.48	$ 17.39
250W	MV *	11,000	275W	$ 30.62	$ 23.53
400W	MV *	20,000	460W	$ 44.74	$ 37.65
100W	HPSV	8,500	124W	$ 19.29	$ 12.20
250W	HPSV	23,200	313W	$ 34.19	$ 27.10
150W	HPSV	14,400	193W	$ 24.57	$ 17.49
400W	HPSV	45,000	485W	$ 47.48	$ 39.86
31W – 100W	LED	14,400	65W	$ 14.95	$ 12.45

* Refer to the Mercury Vapor Closed to New Installations and Mercury Vapor Fixture Replacement Schedule sections of this rate schedule.

FLOODLIGHT SERVICE WITH COMPANY SUPPLIED POLES

Lamp Only Wattage	Pole Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
100W	HPS FL 35 ft. Pole	8,500	137W	$ 21.10
250W	HPS FL 35 ft. Pole	23,200	330W	$ 35.74
400W	HPS FL 35 ft. Pole	50,000	490W	$ 47.69
1000W	HPS FL 40 ft. Pole	119,500	1103W	$ 96.56
1000W	HPS FL 50 ft. Pole	119,500	1103W	$ 99.95

FLOODLIGHT SERVICE WITHOUT COMPANY SUPPLIED POLES

Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
100W	HPS FL 35 ft. Pole	8,500	137W	$ 14.05
250W	HPS FL 35 ft. Pole	23,200	330W	$ 28.69
400W	HPS FL 35 ft. Pole	45,000	490W	$ 40.64
1000W	HPS FL	119,500	1103W	$ 88.98

LIGHT-EMITTING DIODE
FLOODLIGHT ON EXISTING WOOD POLE (DISTRIBUTION OR LIGHTING)

Amended Filing

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 12
CANCELLING FOURTEENTH REVISED RATE NO. 12

PRIVATE AREA LIGHTING RATE

X

Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
10W – 30W	LED		20W	$ 9.87
31W – 100W	LED	14,400	65W	$ 13.27
101W – 200W	LED	45,000	150W	$ 20.30
200W – 400W	LED	119,500	325W	$ 35.69

LIGHT-EMITTING DIODE FLOODLIGHT WITH NEW COMPANY-SUPPLIED WOOD POLE				
10W – 30W	LED 35 ft. Pole		20W	$ 12.33
31W – 100W	LED 35 ft. Pole	14,400	65W	$ 15.73
101W – 200W	LED 35 ft. Pole	45,000	150W	$ 22.76
200W – 400W	LED 35 ft. Pole	119,500	325W	$ 38.15
200W – 400W	LED 40 ft. Pole	119,500	325W	$ 38.68

FLOODLIGHT SERVICEMETAL HALIDE WITH POLES

Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
400W *	MH FL 35 ft. Pole	38,000	476W	$ 47.26
1000W	MH FL 40 ft. Pole	115,000	1100W	$ 96.07
1000W	MH FL 50 ft. Pole	115,000	1100W	$ 99.46

* The 400W-MH lamp is closed to new customers.

FLOODLIGHT SERVICE METAL HALIDE WITHOUT POLES

Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
400W *	MH FL	38,000	476W	$ 40.21
1000W	MH FL	115,000	1100W	$ 88.49

* The 400W-MH lamp is closed to new customers.

LIGHT-EMITTING DIODE FLOODLIGHT WITH NEW COMPANY-SUPPLIED 35 FT DIRECT EMBEDDED POLE FOR UG ONLY (BORDER LIGHTING ONLY)				
Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 12
CANCELLING FOURTEENTH REVISED RATE NO. 12

PRIVATE AREA LIGHTING RATE

X

250W-400W	LED	119,500	325W	$ 45.99
Dbl 250W-400W	LED	119,500	650W	$ 53.80

LIGHT-EMITTING DIODE FLOODLIGHT WITH NEW COMPANY-SUPPLIED 35 FT WOOD POLE FOR UG ONLY (BORDER LIGHTING ONLY)				
Lamp Only Wattage	Lamp Type	Lamp Lumens	Lamp & Ballast Wattage	Monthly Lamp Charge
250W-400W	LED	119,500	325W	$ 47.12
Dbl 250W-400W	LED	119,500	650W	$ 71.21

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Lamp Charge, Other Non-Consumption Based Applicable Riders, and Tax Adjustment.

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to the provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 12
CANCELLING FOURTEENTH REVISED RATE NO. 12

PRIVATE AREA LIGHTING RATE

X

FACILITIES PROVIDED

The Company will install the appropriate pole, luminaire or other lighting fixture, and necessary equipment and extend overhead secondary wiring up to 125 feet where necessary and the Company will own, operate and maintain the installation. Underground service for area lighting is available at a cost equal to the differential between supplied overhead facilities and the actual cost of underground facilities. Facilities necessary in addition to above will be paid for by the Customer. All facilities installed by the Company will remain the property of the Company. The Company has the option not to install poles and luminaries inaccessible to trucks.

MERCURY VAPOR CLOSED TO NEW INSTALLATIONS

Mercury Vapor lamp categories are closed to new installations. Customers with existing fixtures which are non-repairable and must be replaced will have the option to convert their service to high pressure sodium vapor lamps or may cancel their service. However, a Customer request for conversion or replacement of existing, non-defective mercury vapor fixtures will be subject to all applicable costs of such conversion or replacement.

MERCURY FIXTURE REPLACEMENT SCHEDULE

For Company owned lights, when existing mercury vapor fixtures require replacement, the Company will make such replacements with comparable high pressure sodium vapor lighting at no cost, as specified below.

Existing Mercury Vapor Lighting			Sodium Vapor Replacement		
Lamp Wattage	Lamp Lumens	kWh	Lamp Wattage	Lamp Lumens	kWh
195W	7,000	70	124W	8,500	44
275W	11,000	98	124W	8,500	44
430W	20,000	153	313W	23,200	112

At the time of the replacement, the Customer will be billed at the applicable rate schedule charge and associated kWh usage for the high-pressure sodium vapor replacement lighting.

TERMS OF PAYMENT

EL PASO ELECTRIC COMPANY

FIFTEENTH REVISED RATE NO. 12
CANCELLING FOURTEENTH REVISED RATE NO. 12

PRIVATE AREA LIGHTING RATE

X

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

The initial term of contract for service under this rate schedule shall not be less than two (2) years. The Company reserves the right to remove all equipment furnished under this rate schedule and void the contract if, in the opinion of the Company, there is excessive breakage or vandalism of its facilities.

The Customer remains responsible for any balance remaining on any voided contract which will be applied to the Customer’s bill.

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule are subject to proration adjustments.

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 15
CANCELLING TWELFTH REVISED RATE NO. 15

MISCELLANEOUS SERVICE CHARGES
X

APPLICABILITY

Service charges under this rate schedule are applicable to all Customers. The Company will charge for these services and/or functions in addition to those that are a normal utility service and provided for under the rate schedules of the Company.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

SERVICE CHARGES

Description of Charge	Standard	Opt-Out
New Service Start - No Field Activity Required	$ 4.75	$ 4.75
New Service Start - Field Activity Required	$ 3.50	$ 22.50
New Service Start - No Existing Meter (Standard Rate)	$ 56.75	$ 56.75
New Service Start - No Existing Meter (Non-Standard Rate)	$ 312.25	$ 312.25
Monthly Fee for Opt-Out Metering Service	N/A	$10.00
One-Time Fee for Opt-Out Service (Keep Existing Meter)	N/A	$26.00
One-Time Fee for Opt-Out Service (Digital Non-Communicating Meter before advanced meter installed)	N/A	$112.50
One-Time Fee for Opt-Out Service (Digital Non-Communicating Meter after advanced meter installed)	N/A	$145.50
Energy Diversion Charge	$ 349.00	$ 349.00
Energy Diversion With Damage Charge	$ 521.00 minimum	$ 521.00 minimum
Meter Seal Replacement Charge	$ 14.25	$ 14.25
No Access To Equipment Charge – Field Activity Required	$ 23.25	$ 23.25
No Access To Equipment Charge – Enhanced Field Activity Required	$ 41.00 minimum	$ 41.00 minimum
"No Light" Service Call Charge (Standard Rate)	$ 36.25	$ 36.25
"No Light" Service Call Charge (Non-Standard Rate)	$ 304.00	$ 304.00
Non-Pay Reconnect Charge @ Meter (up to 200 amps or single-phase)	$ 4.75	$ 22.50
Non-Pay Reconnect Charge @ Meter (up to 200 amps or three-phase)	$22.50	$22.50

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 15
CANCELLING TWELFTH REVISED RATE NO. 15

MISCELLANEOUS SERVICE CHARGES
X

Non-Pay Reconnect Charge @ Pole	$80.50	$80.50
Pulse Metering Equipment Installation	$ 280.25	$ 280.25
Pulse Metering Equipment Repair	$ 92.50	$ 92.50
Returned Payment Charge	$ 10.00	$ 10.00
Requested Meter Test Charge (Single Phase)	$ 81.75	$ 81.75
Requested Meter Test Charge (Three Phase)	$ 179.75	$ 179.75
Temporary Overhead Connection Charge	$ 207.00	$ 207.00
Temporary Underground Connection Charge	$ 207.00	$ 207.00
Unable to Connect Requested Service for Failed Inspection	$ 86.75	$ 86.75
Facilities Rental Charge (Monthly)	1.3548% of cost	1.3548% of cost
Special Bill Analysis Charge	$ 43.25 minimum	$ 43.25 minimum
Non-Routine Miscellaneous Charge	At cost	At cost
Out of Cycle Meter Reading Charge	$ 3.00	$ 23.00
Facility Plus Rental Charge (Monthly) *NEW*	1.2193%	1.2193%
Transmission Facilities Charge (Monthly) *NEW*	1.0946%	1.0946%
Customer Initiated Lighting Reconnect/Disconnect *NEW*	205.75	205.75
Customer Initiated Lighting Reconnect/Disconnect Additional Time *NEW*	139.75	139.75

MISCELLANEOUS CHARGE DESCRIPTIONS

NEW SERVICE START – NO FIELD ACTIVITY REQUIRED

The charge for a new service account setup or name change at a service location with an existing meter due to a change of responsible party, tenant or owner where no field activity, e.g., meter reading, is required.

NEW SERVICE START – FIELD ACTIVITY REQUIRED

The charge for a new service account setup or name change at a service location with an existing meter due to a change of responsible party, tenant or owner where the Company determines that a field activity, e.g., meter reading, is required or that the meter must be reconnected.

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 15
CANCELLING TWELFTH REVISED RATE NO. 15

MISCELLANEOUS SERVICE CHARGES
X

NEW SERVICE START – NO EXISTING METER (STANDARD RATE)

The charge for a new service account setup and service wires and a meter are installed for the first time to a new premise or point of service to initiate a new electric service account. The Standard Rate is charged when a Customer requests that the service installation be scheduled during normal Company work hours. Normal Company work hours shall be 7:00 a.m. to 8:00 p.m., Monday through Friday, and 7:00 a.m. to 3:30 p.m. on Saturday, excluding holidays.

NEW SERVICE START – NO EXISTING METER (NON-STANDARD RATE)

The charge for a new service account setup and service wires and meter are installed for the first time to a new premise or point of service to initiate a new electric service account. The Non-Standard Rate is charged when a Customer requests same-day connection, or outside of normal Company work hours. Normal Company work hours shall be 7:00 a.m. to 8:00 p.m., Monday through Friday, and 7:00 a.m. to 3:30 p.m. on Saturday, excluding holidays.

MONTHLY FEE FOR OPTING-OUT OF ADVANCED METERING SERVICE

The fee will be charged monthly to all customers who are opted out of advanced metering service pursuant to Form No. 42.

ONE-TIME FEE FOR OPTING-OUT OF ADVANCED METERING SERVICE (KEEP EXISTING METER)

The one-time fee will be charged to all customers who are opted out of advanced metering service pursuant to Form No. 42 and who keep their existing meter. Payment for this one-time fee must be received within 60 days of receiving a utility notice for this service.

ONE-TIME FEE FOR OPTING-OUT OF ADVANCED METERING SERVICE (DIGITAL NON-COMMUNICATING METER BEFORE ADVANCED METER INSTALLED)

The one-time fee will be charged to all customers who are opted out of advanced metering service pursuant to Form No. 42 and who request a new non-communicating metering device or whose current meter fails a safety and/or accuracy test and is replaced with a new non-communicating metering device. Payment for this one-time fee must be received within 60 days of receiving a utility notice for this service.

Amended Filing

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 15
CANCELLING TWELFTH REVISED RATE NO. 15

MISCELLANEOUS SERVICE CHARGES
X

ONE-TIME FEE FOR OPTING-OUT OF ADVANCED METERING SERVICE (DIGITAL NON-COMMUNICATING METER AFTER ADVANCED METER INSTALLED)

The one-time fee will be charged to all customers who are opted out of advanced metering service pursuant to Form No. 42 after an advanced meter was installed and is replaced with a new non-communicating metering device.

ENERGY DIVERSION CHARGE

The charge for the detection and confirmation of any incidence of tampering or interference with a meter installation, or by other means that prevent the proper operation thereof. This includes theft of service by any person on the Customer's premises, or the evidence of such tampering, interfering, or theft of service (energy diversion). The Company will maintain evidence as required and a notice will be left at the Customer's premise when possible.

In addition, the Customer will pay the disconnect charge and the estimated cost of power and energy not recorded on the meter by reason of energy diversion at the applicable rate using the Company's best estimated data.

ENERGY DIVERSION WITH DAMAGE CHARGE

The minimum charge for the detection and confirmation of any incidence of tampering or interference with a meter installation, or by other means that prevent the proper operation thereof, resulting in damage to the Company's equipment which requires replacement. This includes theft of service by any person on the Customer's premises, or the evidence of such tampering, interfering, or theft of service (energy diversion). The Company will maintain evidence as required and a notice will be left at the Customer's premise when possible.

In addition, the Customer will pay the disconnect charge and the estimated cost of power and energy not recorded on the meter by reason of energy diversion at the applicable rate using the Company's best estimated data.

The Customer shall be responsible for any additional cost incurred by the Company.

METER SEAL REPLACEMENT CHARGE

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 15
CANCELLING TWELFTH REVISED RATE NO. 15

MISCELLANEOUS SERVICE CHARGES
X

The charge for the replacement of the Company's meter seal on the meter at the Customer's premises when the seal has been broken or removed.

NO ACCESS TO EQUIPMENT CHARGE – FIELD ACTIVITY

The charge for the Customer's failure to provide access to the Company's equipment, e.g., the meter, and Company service personnel must be sent back to the premise to access the Company's equipment, e.g., to obtain a physical meter reading.

NO ACCESS TO EQUIPMENT CHARGE – ENHANCED FIELD ACTIVITY

The minimum charge for the Customer's failure to provide access to the Company's equipment, e.g., the meter, and additional Company service personnel must be sent back to the premise access the Company's equipment, e.g., to obtain a physical meter reading.

The Customer shall be responsible for any additional cost incurred by the Company.

"NO LIGHT" SERVICE CALL CHARGE (STANDARD RATE)

The charge when a Customer calls the Company to report "No Lights" and requests Company service personnel be dispatched to the Customer premises and it is determined that the "No Light" condition was caused by a problem in the Customer-owned wiring or equipment on the Customer's side of the point of delivery. The Standard Rate is charged when a Customer requests that the "No Light" service call be scheduled during normal Company work hours. Normal Company work hours shall be 7:00 a.m. to 8:00 p.m., Monday through Friday, and 7:00 a.m. to 3:30 p.m. on Saturday, excluding holidays.

"NO LIGHT" SERVICE CALL CHARGE (NON-STANDARD RATE)

The charge when a Customer calls the Company to report "No Lights" and requests Company service personnel be dispatched to the Customer premises and it is determined that the "No Light" condition was caused by a problem in the Customer-owned wiring or equipment on the Customer's side of the point of delivery. The Non-Standard Rate is charged when a Customer requests that the "No Light" service call be scheduled outside of normal Company work hours. Normal Company work hours shall be 7:00 a.m. to 8:00 p.m., Monday through Friday, and 7:00 a.m. to 3:30 p.m. on Saturday, excluding holidays.

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 15
CANCELLING TWELFTH REVISED RATE NO. 15

MISCELLANEOUS SERVICE CHARGES
X

NON-PAY RECONNECT CHARGE @ METER

The charge when the Customer requests reconnection of electric service following a disconnection of service due to the non-payment of the Customer's bill. All reconnections will be scheduled for same day or next day, during normal Company work hours. Normal Company work hours shall be 7:00 a.m. to 8:00 p.m., Monday through Friday, and 7:00 a.m. to 3:30 p.m. on Saturday, excluding holidays.

NON-PAY RECONNECT CHARGE @ POLE

The charge for the reconnection of electric service when the Customer was disconnected at the pole or riser for non-payment of its bill and Company personnel were unable to gain access to the meter for disconnection due to a condition at the Customer's premise (i.e., locked gate, dog, blocked meter, fence, etc.). Reconnection will be made on a next-day or scheduled basis during normal Company work hours. Normal Company work hours shall be 7:00 a.m. to 8:00 p.m., Monday through Friday, and 7:00 a.m. to 3:30 p.m. on Saturday, excluding holidays.

PULSE METERING EQUIPMENT INSTALLATION

The charge when the Customer requests that the Company install an isolation relay and output wiring to provide output electric pulses for the purpose of load management and energy conservation.

PULSE METERING EQUIPMENT REPAIR

The charge when the Customer requests that the Company repair pulse metering equipment due to a loss of pulse and it is determined that the cause is a problem in Customer-owned wiring or equipment on the Customer's side of the point of delivery.

RETURNED PAYMENT CHARGE

The charge for each payment made by check, bank draft, credit card, debit card, or other electronic means that is returned to the Company without payment.

REQUESTED METER TEST (SINGLE PHASE)

Upon request by a Customer, the Company will test the accuracy of the meter serving that Customer. If initially requested, the Customer or their representative may be present during the meter test. The

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 15
CANCELLING TWELFTH REVISED RATE NO. 15

MISCELLANEOUS SERVICE CHARGES
X

Company will provide reasonable advance notification of the date, time, and location of the test. A report of the test results will be made to the Customer within a reasonable time after completion of the test.

The charge will be made if the meter has been previously tested by the Company or by an authorized agency within a period of eighteen (18) months from the date of the requested test. The charge reflects the Company's cost to test the meter in accordance with 17.9.560.14 NMAC (Inspection and Tests). If the meter is found to be more than two percent (2%) in error pursuant to 17.9.560.14 NMAC, the charge will be refunded in accordance with 17.9.560.12 NMAC (Customer Relations).

<u>REQUESTED METER TEST (THREE PHASE)</u>

Upon request by a Customer, the Company will test the accuracy of the meter serving that Customer. If initially requested, the Customer or their representative may be present during the meter test. The Company will provide reasonable advance notification of the date, time, and location of the test. A report of the test results will be made to the Customer within a reasonable time after completion of the test.

The charge will be made if the meter has been previously tested by the Company or by an authorized agency within a period of eighteen (18) months from the date of the requested test. The charge reflects the Company's cost to test the meter and is made in accordance with 17.9.560.14 NMAC (Inspection and Tests). If any meter is found to be more than two percent (2%) in error pursuant to 17.9.560.14 NMAC, the charge will be refunded in accordance with 17.9.560.12 NMAC (Customer Relations).

<u>TEMPORARY OVERHEAD CONNECTION CHARGE</u>

The charge when a Customer requests temporary overhead service and single or three phase 120/240 volt service is ninety (90) feet or less from the Customer's point of delivery.

If the desired type of service is not single or three phase 120/240 volt service and/or is over ninety (90) feet from the Customer's point of delivery, temporary service will be provided only when the Customer pays the entire cost of installing and removing the necessary overhead facilities in advance to the Company.

<u>TEMPORARY UNDERGROUND CONNECTION CHARGE</u>

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 15
CANCELLING TWELFTH REVISED RATE NO. 15

MISCELLANEOUS SERVICE CHARGES
X

The charge when a Customer requests temporary underground service and single or three phase 120/240 volt service is available at the Customer's point of delivery.

If the desired type of service is not single or three phase 120/240 volt service and/or is not available at the Customer's point of delivery, temporary service will be provided only when the Customer pays the entire cost of installing and removing the necessary facilities to provide the temporary service in advance to the Company.

UNABLE TO CONNECT REQUESTED SERVICE FOR FAILED INSPECTION

The charge when the Customer or Customer's electrical contractor applies for service and the Company is unable to connect the service due to a failed inspection for failure to meet applicable codes.

FACILITIES RENTAL CHARGE

The charge calculated and assessed on the replacement cost of equipment or facilities owned and maintained by the Company (excluding substation facilities) when the Customer elects to rent the equipment or facilities from the Company rather than own them.

SPECIAL BILLING ANALYSIS CHARGE

The Company encourages Customers to access its online service that provides Customer usage and billing information free of charge through EPE's web portal at www.epelectric.com. In the event the Customer would like the Company to perform this activity, this minimum charge will be assessed each time a Customer requests and the Company provides a manually prepared billing history or special billing analysis or rate comparison. The charge will equal the Company's cost of fulfilling the request, including but not limited to labor, overheads, materials, and data processing expenses, or the minimum charge, whichever is greater.

NON-ROUTINE MISCELLANEOUS CHARGE

The charge is in addition to the costs for services performed by the Company at the request of the Customer and upon acceptance of the request by the Company and which are not covered by a specific rate schedule or service charge. The Customer will be charged the reasonable costs incurred in performing the requested service including but not limited to labor, materials, parts, special equipment, transportation, meter testing and related overhead costs.

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 15
CANCELLING TWELFTH REVISED RATE NO. 15

MISCELLANEOUS SERVICE CHARGES
X

OUT OF CYCLE METER READING CHARGE

The charge will be made when a Customer requests a re-read of their meter outside the Company's scheduled reading cycle for the Customer's meter, and the Company determines the out of cycle reading to be within acceptable parameters pursuant to.17.9.560.14 NMAC (Inspection and Tests).

FACILITY PLUS RENTAL CHARGE (MONTHLY) *NEW*

The charge calculated and assessed monthly on the replacement cost of equipment or facilities owned and maintained by the Company (including substation facilities) when the Customer elects to rent the equipment or facilities from the Company rather than own them.

TRANSMISSION FACILITIES CHARGE (MONTHLY) *NEW*

The charge calculated and assessed monthly to recover the cost of the Company's investment in infrastructure, operation and maintenance of infrastructure dedicated to serve an individual Customer. The expected connected load of the customer-dedicated infrastructure must exceed thirty (30) MW.

CUSTOMER INITIATED LIGHTING RECONNECT/DISCONNECT CHARGE *NEW*

The charge when the Customer requests reconnection of electric service following a disconnection of service at the request of the Customer. All reconnections will be scheduled for same day or next day, during normal Company work hours. The charge requires a two-hour work minimum.

CUSTOMER INITIATED LIGHTING RECONNECT/DISCONNECT ADDITIONAL TIME CHARGE *NEW*

The charge when the Customer requests reconnection of electric service following a disconnection of service at the request of the Customer. All reconnections will be scheduled for same day or next day, during normal Company work hours. The charge will be in addition to the Customer Initiated Lighting Reconnect/Disconnect charge for any request requiring additional work beyond the 2-hour minimum.

EL PASO ELECTRIC COMPANY

FORTY-FIFTH AMENDEDREVISED RATE NO. 16 X
CANCELLING FORTY-FOURTH REVISED RATE NO. 16 X

PURCHASED POWER SERVICE

APPLICABILITY

This rate schedule is applicable to Qualifying Facilities who qualify as small power production and cogeneration facilities as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policy Act of 1978. Pursuant to 18 CFR Part 292.204(a), a qualifying power production facility is “small” when it does not exceed 80 megawatts (“MW”).

This rate schedule sets forth the energy rates for purchases made by the Company for the energy generated by the Qualifying Facility (“QF”) pursuant to 17.9.570.11 NMAC. 17.9.568 NMAC shall control for Customer-owned QF of 100 kW or smaller, to the extent that the terms and conditions of this rate schedule are inconsistent with 17.9.568 NMAC.

DEFINITION – PURCHASED POWER

Purchased Power means the purchase of electric energy from a QF by El Paso Electric Company, (“Company” or “EPE”).

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three-phase, at 60 Hertz, at the option of the Company and at a standard Company approved voltage. The harmonic content of the Customer’s generation must not cause interference or equipment problems for the Company or other Company customers. The Company reserves the right to disconnect from its electrical system any Qualifying Facility that causes harmful or annoying voltage fluctuations. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MONTHLY RATE

Energy Payments

EL PASO ELECTRIC COMPANY

FORTY-FIFTH AMENDEDREVISED RATE NO. 16 X
CANCELLING FORTY-FOURTH REVISED RATE NO. 16 X

PURCHASED POWER SERVICE

The Energy Payment Rates, differentiated by service voltage, apply to all excess generated kilowatt hours (kWh) by customers taking retail service under the Company's retail rate schedules and will appear on the Customer's monthly bill as a line item calculated based on metered energy.

ENERGY PAYMENTS TO QF RATED AT 5 MW AND BELOW

The Purchase Power Energy Payment Rate for a QF rated at 5 MW and below shall be calculated as an average of the Western Energy Imbalance Market (EIM) EPE System ELAP prices times the Rate No.18 (Fuel and Purchased Power Cost Adjustment Clause) loss adjustments due to service at different voltage levels.

The energy payment rates shall be based on a thirty-day average of Western Energy Imbalance Market (EIM) EPE System ELAP prices ending 5 days prior to the start of each calendar month in which the payment will occur. For a QF rated at 5 MW and below that elects to contract for energy sales to the Company, EPE will use the QF's excess generated kWh in the billing month multiplied by the monthly calculated Purchase Power Energy Payment Rate.

ENERGY PURCHASE PAYMENTS TO QF RATED MORE THAN 5 MW

For a QF rated at more than 5 MW that elects to contract for energy sales to the Company, the Purchase Power Energy Payment Rate shall be based on hourly Western EIM EPE System ELAP prices times the Rate No.18 (Fuel and Purchased Power Cost Adjustment Clause) loss adjustments due to service at different voltage levels. EPE will use actual hourly QF production during the billing month multiplied by the hourly Western EIM EPE System ELAP price.

WESTERN EIM EPE SYSTEM ELAP PRICE REFERENCE

CAISO publishes public market information pursuant to the requirements detailed in the CAISO Tariff Section 6.5, CAISO Communications. Hourly RTM LAP Prices are published daily for the prior trade day at an hourly granularity and can be accessed through CAISO's OASIS web page (http://oasis.caiso.com/). To retrieve the report, navigate to the following tabs: Prices > Energy Prices > Hourly RTM Prices. Once the report page has loaded, El Paso LAP prices can be retrieved by selecting the 'ELAP_EPE-APND' from the available Node drop down and selecting the appropriate date from the Trade Date field.

EL PASO ELECTRIC COMPANY

FORTY-FIFTH AMENDEDREVISED RATE NO. 16 X
CANCELLING FORTY-FOURTH REVISED RATE NO. 16 X

PURCHASED POWER SERVICE

METER OPTIONS

The QF contracting for energy payments may choose one of the following meter options for measurement of energy to be purchased by the Company:

1. Load Displacement Option

   Where the Customer primarily wishes to serve his own load, the Company will measure the flow of energy from the Company to the Customer with a single meter. There will be no additional Customer Charge and no payment by the Company for any excess power which may be generated by the Customer. The Customer shall be billed for all energy supplied by the Company under the applicable standard rate.

2. Net Metering Option

   The Company shall install an additional meter to separately measure the flow of energy generated by the Customer into the Company's electrical system. The Company shall calculate the net energy consumed or supplied by the Customer and the Customer shall be paid for the energy supplied above the amount consumed by the Customer at the rate specified in the Monthly Rate Section of this rate. The Customer shall be billed for the energy consumed by the Customer above the energy supplied by the Customer under the applicable standard rate, absent the QF’s generation.

3. Separate Load Metering (Simultaneous Buy/Sell) Option

   The Company shall install metering to separately measure all the energy produced by the QF and all the power consumed by the Customer. The Company shall purchase all energy produced by the QF at the rate specified in the Monthly Rate Section of this rate schedule. The Customer shall be billed for all power consumed under the applicable standard rate.

COMMON PROVISIONS

Interconnection Charge:

Customers on this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, and administrative costs incurred by the Company which are

EL PASO ELECTRIC COMPANY

FORTY-FIFTH AMENDEDREVISED RATE NO. 16 X
CANCELLING FORTY-FOURTH REVISED RATE NO. 16 X

PURCHASED POWER SERVICE

directly related to the installation and maintenance of the physical facilities necessary to permit interconnect operations with a QF, to the extent such costs are in excess of the corresponding costs that the Company would have incurred if it had not engaged in interconnected operations but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity from other sources.

In conformance with 17.9.570.9 NMAC, the QF shall give the Company at least sixty (60) days written advance notice to interconnect. Such notice shall specify the date the QF will be ready for interconnection, the date the QF will be able to commence testing, and the anticipated date of operation after testing. The Customer shall pay the estimated interconnection costs in full at the time notice to interconnect is provided to the Company. Upon completion of the interconnection the actual costs shall be computed and reimbursements to the appropriate party shall be made for any differences between the actual and estimated cost of interconnection.

In addition, Customers with a design capacity greater than 100 kilowatts (kW) shall pay an annual charge of 5.4414% of the capital costs of interconnection to provide for the recovery of property X
taxes, revenue related taxes, depreciation expense, and operation and maintenance expenses. The annual charge of 5.4414% is payable by the Customer in monthly installments at the rate of X
one-twelfth (1/12) of the annual charge per month.

METERING EQUIPMENT AND FACILITIES

The Company will install, own and maintain all meters and metering equipment. The Customer will install Company approved meter sockets and metering cabinets.

The Company may install, at its expense, on the Customer's premises load research metering. The Customer shall supply, at no expense to the Company, a suitable location for meters and associated equipment used for billing and for load research.

CUSTOMER FACILITIES

The Customer shall design, furnish, install, own, operate, and maintain in good order and repair, and at no cost to the Company, facilities such as relays, switches, synchronizing equipment, control and protective devices designated by the Company as necessary for parallel operation with the Company system to permit safe and practical operation.

The Customer's generation equipment shall not be connected in parallel with the Company's system without written consent of the Company.

EL PASO ELECTRIC COMPANY

FORTY-FIFTH AMENDEDREVISED RATE NO. 16 X
CANCELLING FORTY-FOURTH REVISED RATE NO. 16 X

PURCHASED POWER SERVICE

OPERATION OF FACILITIES

The Customer shall notify the Company before the initial energizing and start-up testing of the Customer-owned generator and the Company shall have the right to have a representative present at such test.

NEGOTIATIONS

The Company and the QF may, at the QF's option, negotiate the energy to be supplied by the QF. Negotiated agreements shall meet the applicable general principles and conditions established in 17.9.568 NMAC and 17.9.570 NMAC.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

If a net amount is owed to the QF for the billing period, and is less than $50, the payment amount may be carried over to the following billing period. If a net amount is owed to the QF and is $50 or more, the utility shall make payment to the QF prior to the end of the next billing period.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices. The provisions of any contract associated with service under this rate schedule are also applicable.

This rate schedule shall be binding upon the Company and the Customer for a period coterminous with the interconnection agreement; provided, however, that the Customer may terminate service provided under this rate schedule at any time during such term by providing the Company with written notice at least one (1) year prior to the effective date of such termination and the Company may terminate in accordance with regulatory regulations. Any change in this rate schedule approved by a regulatory authority with the requisite jurisdiction shall become effective upon such approval and remain in force until the expiration of the term of this rate schedule or the termination by the Customer in accordance with the requirements herein contained, whichever events occurs

EL PASO ELECTRIC COMPANY

FORTY-FIFTH AMENDEDREVISED RATE NO. 16 X
CANCELLING FORTY-FOURTH REVISED RATE NO. 16 X

PURCHASED POWER SERVICE

first in time. The service supplied hereunder is to be used exclusively within the premises of the Customer, as defined in the application for service.

The Customer will furnish the Company such data as required in the Application for Interconnection and shall enter into an Interconnection Agreement.

EL PASO ELECTRIC COMPANY

TWENTY-FIRST REVISED RATE NO. 18 X
CANCELLING TWENTIETH REVISED RATE NO. 18 X

FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE (FPPCAC)

APPLICABILITY

Pursuant to the New Mexico Public Regulation Commission's Final Order in Case No. 15-00127-UT, the Company is required to remove all fuel and purchased power costs from base rates and bill such costs through the Fuel and Purchased Power Cost Adjustment Clause (FPPCAC).

Electric service shall be subject to a FPPCAC pursuant to 17.9.550 NMAC (Fuel and Purchased Power Cost Adjustment Clauses for Electric Utilities) and the Final Order in Case No. 18-00006-UT.

The FPPCAC factors, differentiated by service voltage, apply to all kilowatt hours (kWh) consumed by customers taking retail service under the Company's retail rate schedules and will appear on the Customer's monthly bill as a line item calculated based on metered energy.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

FPPCAC ADJUSTMENT

The FPPCAC recognizes loss adjustments due to service at different voltage levels:

	Line Losses	Voltage Factor	
A. New Mexico System	6.8682%	100.0000%	X
B. Secondary Voltage (If Customer takes service and is metered at 480 volts and below)	7.403%	100.5004%	X
C. Primary Voltage (If Customer takes service and is metered at 2,400 volts or higher but less than 69,000 volts)	4.670%	97.9431%	X
D. Transmission Voltage (If Customer takes service and is metered at 69,000 volts and higher but less than 115,000 volts)	2.850%	96.2400%	X
E. Transmission Voltage (If Customer takes service and is metered at 115,000 volts or higher)	2.565%	95.9734%	X

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 19 X
CANCELLING TWELFTH REVISED RATE NO. 19 X

SEASONAL AGRICULTURE PROCESSING SERVICE RATE

APPLICABILITY

This rate schedule is available to Customers whose seasonal service is for processing agricultural products. The Customer's service requirements must be distinctly of a recurring seasonal nature.

This rate schedule is not applicable for temporary, breakdown, standby or supplementary resale service.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MONTHLY RATE

Customer Charge (per meter per month)	$26.89	X

In the event a Customer terminates service prior to the end of the current twelve (12) month period since the initiation of service under this rate schedule, the remaining portion of unpaid monthly Customer Charges will be assessed and due with the final bill.

	Summer (June through September)	**Non-Summer** (October through May)	
Energy Charge per kWh	$0.09528	$0.08396	X

SPECIAL CONDITIONS

When a line extension is required, a written contract with an annual minimum charge for an initial term of three (3) years will be required to support the cost of the line extension.

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 19 X
CANCELLING TWELFTH REVISED RATE NO. 19 X

SEASONAL AGRICULTURE PROCESSING SERVICE RATE

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge, Other Non-Consumption Based X
Applicable Riders and Tax Adjustment.

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate
No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering X
provision will be applied by TOD period. X

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders
that may apply to this rate schedule and shall be billed pursuant to provisions of those riders.
For Distributed Generation (DG) customers, the net energy metering provision will be applied by X
TOD period. X

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 19 X
CANCELLING TWELFTH REVISED RATE NO. 19 X

SEASONAL AGRICULTURE PROCESSING SERVICE RATE

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

The Company and Customer will determine whether a new Customer qualifies for this rate schedule.

The non-processing portion of the Customer’s service, such as lighting and miscellaneous office load, must be separately metered and billed under the applicable rate schedule.

Maximum Demand is defined as the highest measured thirty (30) minute average kW load. The Company, at its option, may install metering equipment to measure the Customer’s Maximum Demand for purposes of determining the applicable rate schedule.

EL PASO ELECTRIC COMPANY

TWELFTH REVISED RATE NO. 21 X
CANCELLING ELEVENTH REVISED RATE NO. 21 X

SUPPLEMENTARY POWER SERVICE FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

APPLICABILITY

This rate schedule is applicable to Qualifying Facilities and to Customers taking service from a third party Qualifying Facility which qualifies as a small power production facility or cogeneration facility as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978.

Pursuant to 18 CFR Part 292.204(a), a qualifying power production facility is "small" when it does not exceed 80 megawatts.

DEFINITION – SUPPLEMENTARY POWER

Supplementary Power means electric energy and/or capacity regularly used by a Customer of the Company in addition to the energy and/or capacity supplied by a Qualifying Facility.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

SUPPLEMENTARY POWER SERVICE RATE

Supplementary Power shall be billed under the retail rate schedule currently in effect and applicable to the Customer having power requirements equal to the supplementary power requirements of the Qualifying Facility. All provisions in the retail rate schedule are applicable, except as specifically excluded in this rate schedule.

COMMON PROVISIONS

Interconnection Charge:

EL PASO ELECTRIC COMPANY

TWELFTH REVISED RATE NO. 21 X
CANCELLING ELEVENTH REVISED RATE NO. 21 X

SUPPLEMENTARY POWER SERVICE FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

Customers on this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, and administrative costs incurred by the Company which are directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with a Qualifying Facility, to the extent such costs are in excess of the costs that the Company would have incurred if it had not engaged in interconnected operations but instead generated an equivalent amount of electric energy or capacity itself or purchased an equivalent amount of electric energy or capacity from other sources.

In conformance with 17.9.570.9 NMAC, the Qualifying Facility shall give the Company at least sixty (60) days written advance notice to interconnect. Such notice shall specify the date the Qualifying Facility will be ready for interconnection, the date the Qualifying Facility will be able to commence testing, and the anticipated date of operation after testing. The Customer shall pay the estimated interconnection costs in full at the time notice to interconnect is provided to the Company. Upon completion of the interconnection the actual costs shall be computed and reimbursements to the appropriate party shall be made for any differences between the actual and estimated cost of interconnection.

In addition, Customers with a design capacity greater than 100 kilowatts (kW) shall pay an annual charge of 5.4414% of the capital costs of interconnection to provide for the recovery of property taxes, revenue related taxes, depreciation expense, and operation and maintenance expenses. X
The annual charge of 5.4414% is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month. X

<u>METERING EQUIPMENT AND FACILITIES</u>

The metering options available to the Qualifying Facility are described in the Company's Rate No. 16 Purchased Power Service.

The Company will install, own and maintain all meters and metering equipment. The Customer will install Company approved meter sockets and metering cabinets.

The Company may install, at its expense, on the Customer's premises, load research metering. The Customer shall supply, at no expense to the Company, a suitable location for meters and associated equipment used for billing and for load research purposes.

EL PASO ELECTRIC COMPANY

TWELFTH REVISED RATE NO. 21 X
CANCELLING ELEVENTH REVISED RATE NO. 21 X

SUPPLEMENTARY POWER SERVICE FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices. The provisions of any contract associated with service under this rate schedule are also applicable.

This rate schedule shall be binding upon the Company and the Customer for a period coterminous with the interconnection agreement; provided, however, that the Customer may terminate service provided under this rate schedule at any time during such term by providing the Company with written notice at least one (1) year prior to the effective date of such termination, and the Company may terminate in accordance with regulatory regulations. Any change in this rate schedule approved by a regulatory authority with the requisite jurisdiction shall become effective upon such approval and remain in force until the expiration of the term of this rate schedule or the termination by Customer in accordance with the requirements herein contained, whichever event occurs first in time. The service supplied hereunder is to be used exclusively within the premises of the Customer, as defined in the Customer’s application for service.

The Customer will furnish the Company such data as required by the Company to determine that the Customer meets the requirements for qualification.

The Qualifying Facility may be connected for (1) parallel operation with the Company's service, or (2) isolated operation with Supplementary Power Service provided by the Company by means of a double-throw switch or other Company approved switching solution.

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 22 X
CANCELLING TWELFTH REVISED RATE NO. 22 X

BACKUP POWER SERVICE FOR
COGENERATION AND SMALL POWER PRODUCTION FACILITIES

APPLICABILITY

This rate schedule is applicable to Qualifying Facilities and to Customers taking service from a third party Qualifying Facility which qualifies as a small power production facility or cogeneration facility as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978. Pursuant to 18 CFR Part 292.204(a), a qualifying power production facility is “small” when it does not exceed 80 megawatts.

DEFINITION – BACKUP POWER

Backup Power means electric energy and/or capacity supplied by the Company during an unscheduled outage of the Qualifying Facility to replace energy and/or capacity ordinarily supplied by the Qualifying Facility.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

BACKUP POWER SERVICE RATE

Backup Power shall be billed under the retail rate schedule currently in effect and applicable to the Customer absent its Qualifying Facility generation. All provisions in the retail rate schedule are applicable, except as specifically excluded in this rate schedule. No demand ratchets or power factor penalties will apply to this service.

MONTHLY RESERVATION FEE

A monthly reservation fee will be charged in the months that Backup Power is not utilized by the Qualifying Facility. The reservation fee will be ten percent (10%) of the monthly demand charge

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 22 X
CANCELLING TWELFTH REVISED RATE NO. 22 X

BACKUP POWER SERVICE FOR
COGENERATION AND SMALL POWER PRODUCTION FACILITIES

contained in the retail rate schedule currently in effect and applicable to the Customer absent its qualifying facility generation times the contract capacity.

DELIVERY SERVICE CHARGE

A delivery service charge will be billed to the Customer during the months that Backup Power Service is not utilized by the Qualifying Facility. The delivery service charges shall are:

Delivery Service Charge Per kW of Contract Capacity	Connected Load Up To 800 kW	Connected Load In Excess of 800 kW	
Secondary Voltage Delivery	$6.58	$5.05	X
Primary Voltage Delivery	$4.65	$4.21	X

DETERMINATION OF CONTRACT CAPACITY

The contract capacity for the purpose of this rate schedule shall be the amount of capacity, expressed in kilowatts, requested by the Customer or the measured kilowatt output of the Customer's qualifying facilities that the Customer requests the Company to provide for Backup Power Service. When a higher kilowatt load for Backup Power Service is established, the higher kilowatt load shall become the new contract capacity for that month and for each month thereafter, unless and until exceeded by a still higher kilowatt load which in turn shall be subject to the foregoing conditions.

COMMON PROVISIONS:

Interconnection Charge:

Customers on this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, and administrative costs incurred by the Company which are directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with a Qualifying Facility, to the extent such costs are in excess of the corresponding costs that the Company would have incurred if it had not engaged in interconnected operations but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity from other sources.

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 22 X
CANCELLING TWELFTH REVISED RATE NO. 22 X

BACKUP POWER SERVICE FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

In conformance with 17.9.570.9 NMAC, the Qualifying Facility shall give the Company at least sixty (60) days written advance notice to interconnect. Such notice shall specify the date the Qualifying Facility will be ready for interconnection, the date the Qualifying Facility will be able to commence testing, and the anticipated date of operation after testing. The Customer shall pay the estimated interconnection costs in full at the time notice to interconnect is provided to the Company. Upon completion of the interconnection the actual costs shall be computed and reimbursements to the appropriate party shall be made for any differences between the actual and estimated cost of interconnection.

In addition, Customers with design capacity greater than 100 kilowatts (kW) shall pay an annual charge of 5.4414% of the capital costs of interconnection to provide for the recovery of property X taxes, revenue related taxes, depreciation expense, and operation and maintenance expenses. The annual charge of 5.4414% is payable by the Customer in monthly installments at the rate of X one-twelfth (1/12) of the annual charge per month.

METERING EQUIPMENT AND FACILITIES

The metering options available to the Qualifying Facility are described in the Company's Rate No. 16 Purchased Power Service.

The Company will install, own and maintain all meters and metering equipment. The Customer will install Company approved meter sockets and metering cabinets.

The Company may install, at its expense, on the Customer's premises, load research metering. The Customer shall supply, at no expense to the Company, a suitable location for meters and associated equipment used for billing and for load research purposes.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 22 X
CANCELLING TWELFTH REVISED RATE NO. 22 X

BACKUP POWER SERVICE FOR
COGENERATION AND SMALL POWER PRODUCTION FACILITIES

offices. The provisions of any contract associated with service under this rate schedule are also applicable.

This rate schedule shall be binding upon the Company and the Customer for a period coterminous with the interconnection agreement; provided, however, that the Customer may terminate service provided under this rate schedule at any time during such term by providing the Company with written notice at least one (1) year prior to the effective date of such termination, and the Company may terminate in accordance with regulatory regulations. Any change in this rate schedule approved by a regulatory authority with the requisite jurisdiction, shall become effective upon such approval and remain in force until the expiration of the term of this rate schedule or the termination by Customer in accordance with the requirements herein contained, whichever event occurs first in time. The service supplied hereunder is to be used exclusively within the premises of the Customer, as defined in the Customer's application for service.

The Customer will furnish the Company such data as required by the Company to determine that the Customer meets the requirements for qualification.

The Qualifying Facility may be connected for (1) parallel operation with the Company's service, or (2) isolated operation with Backup Power Service provided by the Company by means of a double-throw switch or other Company approved switching solution.

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 23 X
CANCELLING TWELFTH REVISED RATE NO. 23 X

MAINTENANCE POWER SERVICE FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

APPLICABILITY

This rate schedule is applicable to Qualifying Facilities and to Customers taking service from a third party Qualifying facility which qualifies as a small power production or cogeneration facility as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978. Pursuant to 18 CFR Part 292.204(a), a qualifying power production facility is “small” when it does not exceed 80 megawatts.

DEFINITION – MAINTENANCE POWER

Maintenance Power is defined as the electric energy and/or capacity supplied by the Company during scheduled outages of the Qualifying Facility, subject to the Special Provisions of this rate schedule.

TERRITORY

Areas served by the Company in Doña Ana, Luna, Otero and Sierra Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MAINTENANCE POWER SERVICE RATE

Maintenance Power shall be billed under the retail rate schedule currently in effect and applicable to the Customer absent its Qualifying Facility generation. All provisions in the retail rate schedule are applicable, except as specifically excluded in this rate schedule. No demand charge shall apply for maintenance power taken during off-peak hours as defined in the retail rate schedule. No demand ratchets will apply to this service.

DELIVERY SERVICE CHARGE

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 23 X
CANCELLING TWELFTH REVISED RATE NO. 23 X

MAINTENANCE POWER SERVICE FOR
COGENERATION AND SMALL POWER PRODUCTION FACILITIES

A delivery service charge will be billed to the Customer during the months that neither Maintenance Power Service nor Backup Power Service is utilized by the Qualifying Facility. The delivery service charge shall be:

Delivery Service Charge Per kW of Contract Capacity	Connected Load Up To 800 kW	Connected Load In Excess of 800 kW	
Secondary Voltage Delivery	$6.58	$5.05	X
Primary Voltage Delivery	$4.65	$4.21	X

The charge shall be less any Delivery Service Charges applied pursuant to the provisions of Rate No. 22, Backup Power Service or Rate No. 24, Interruptible Power Service, but not less than zero $0.

DETERMINATION OF DEMAND CHARGE

The Maintenance Power demand charge shall be determined by multiplying the applicable retail rate schedule demand charge by the ratio of the number of weekdays in which the Maintenance Power was taken to the number of weekdays in the month.

DETERMINATION OF CONTRACT CAPACITY

The contract capacity for the purpose of this rate schedule shall be the amount of capacity, expressed in kilowatts, requested by Customer or the measured kilowatt output of the Customer's qualifying facilities that the Customer requests the Company to provide for Backup Power Service. When a higher kilowatt load for Backup Power Service is established, the higher kilowatt load shall become the new contract capacity for that month and for each month thereafter, unless and until exceeded by a still higher kilowatt load which in turn shall be subject to the foregoing conditions.

COMMON PROVISIONS

Interconnection Charge:

Customers on this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, and administrative costs incurred by the Company which are

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 23 X
CANCELLING TWELFTH REVISED RATE NO. 23 X

MAINTENANCE POWER SERVICE FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with a Qualifying Facility, to the extent such costs are in excess of the costs that the Company would have incurred if it had not engaged in interconnected operations but instead generated an equivalent amount of electric energy or capacity itself or purchased an equivalent amount of electric energy or capacity from other sources.

In conformance with 17.9.570.9NMAC, the Qualifying Facility shall give the Company at least sixty (60) days written advance notice to interconnect. Such notice shall specify the date the Qualifying Facility will be ready for interconnection, the date the Qualifying Facility will be able to commence testing, and the anticipated date of operation after testing. The Customer shall pay the estimated interconnection costs in full at the time notice to interconnect is provided to the Company. Upon completion of the interconnection, the actual costs of interconnection shall be computed and reimbursements to the appropriate party shall be made for any differences between the actual and estimated cost of interconnection.

In addition, Customers with a design capacity greater than 100 kW shall pay an annual charge of 5.4414% of the capital costs of interconnection to provide for the recovery of property taxes, X
revenue related taxes, depreciation expense, and operation and maintenance expenses. The annual charge of 5.4414% is payable by the Customer in monthly installments at the rate of one- X
twelfth (1/12) of the annual charge per month.

METERING EQUIPMENT AND FACILITIES

The metering options available to the Qualifying Facility are described in the Company’s Rate No. 16 Purchased Power Service.

The Company will install, own and maintain all meters and metering equipment. The Customer will install Company approved meter sockets and metering cabinets.

The Company may install, at its expense, on the Customer's premises, load research metering. The Customer shall supply, at no expense to the Company, a suitable location for meters and associated equipment used for billing and for load research purposes.

TERMS OF PAYMENT

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 23 X
CANCELLING TWELFTH REVISED RATE NO. 23 X

MAINTENANCE POWER SERVICE FOR
COGENERATION AND SMALL POWER PRODUCTION FACILITIES

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices. The provisions of any contract associated with service under this rate schedule are also applicable.

This rate schedule shall be binding upon the Company and the Customer for a period coterminous with the interconnection agreement; provided, however, that the Customer may terminate service provided under this rate schedule at any time during such term by providing the Company with written notice at least one (1) year prior to the effective date of such termination and the Company may terminate in accordance with regulatory regulations. Any change in this rate schedule approved by a regulatory authority with the requisite jurisdiction, shall become effective upon such approval and remain in force until the expiration of the term of this rate schedule or the termination by Customer in accordance with the requirements herein contained, whichever event occurs first in time. The service supplied hereunder is to be used exclusively within the premises of the Customer, as defined in the Customer’s application for service.

The Customer will furnish to the Company such data as required by the Company to determine that Customer meets the requirements for qualification.

The Qualifying Facility may be connected for (1) parallel operation with the Company's service, or (2) isolated operation with Maintenance Power Service provided by the Company by means of a double-throw switch or other Company approved switching solution.

SPECIAL PROVISIONS

All Maintenance Power supplied by the Company that has not been scheduled with the Company and confirmed with prior written approval from the Company shall be considered backup power service.

A Customer qualifying for this rate schedule shall schedule maintenance of its Qualifying Facility by giving the Company advance written notice as to the length of the outage as follows:

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 23 X
CANCELLING TWELFTH REVISED RATE NO. 23 X

MAINTENANCE POWER SERVICE FOR
COGENERATION AND SMALL POWER PRODUCTION FACILITIES

Length of Outage	Advance Notice
1 day or less	5 calendar days
2 to 5 days	30 calendar days
6 to 30 days	90 calendar days

Maintenance Power shall be available to Qualifying Facilities for a minimum period of thirty (30) days per year, coordinated with the Company and scheduled outside of the designated peak months of the Company.

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 24 X
CANCELLING TWELFTH REVISED RATE NO. 24 X

INTERRUPTIBLE POWER SERVICE FOR
COGENERATION AND SMALL POWER PRODUCTION FACILITIES

APPLICABILITY

This rate schedule is applicable to Qualifying Facilities and to Customers taking service from a third party Qualifying Facility which qualifies as a small power production or cogeneration facility as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978.

Pursuant to 18 CFR Part 292.204(a), a qualifying power production facility is “small” when it does not exceed 80 megawatts.

DEFINITION – INTERRUPTIBLE POWER

Interruptible Power means electric energy and/or capacity supplied by the Company subject to interruption by the Company under specified conditions.

TERRITORY

Areas served by the Company in Doña Ana, Luna, Otero and Sierra Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

INTERRUPTIBLE POWER SERVICE RATE

Interruptible Power shall be billed under the retail rate schedule currently in effect and applicable to the Customer absent its Qualifying Facility generation. All provisions in the retail rate schedule are applicable, except as specifically excluded in this rate schedule.

DELIVERY SERVICE CHARGE

A delivery service charge will be billed to the Customer during the months that neither Maintenance Power Service nor Backup Power Service is utilized by the Qualifying Facility. The delivery service charge shall be:

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 24 X
CANCELLING TWELFTH REVISED RATE NO. 24 X

INTERRUPTIBLE POWER SERVICE FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

Delivery Service Charge Per kW of Contract Capacity	Connected Load Up To 800 kW	Connected Load In Excess of 800 kW	
Secondary Voltage Delivery	$6.58	$5.05	X
Primary Voltage Delivery	$4.65	$4.21	X

The charge is less any Delivery Service Charges applied pursuant to the provisions of Rate No. 22, Backup Power Service or Rate No. 23, Maintenance Power Service, but not less than zero $0.

<u>COMMON PROVISIONS</u>

Interconnection Charge:

Customers on this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, and administrative costs incurred by the Company which are directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with a Qualifying Facility, to the extent such costs are in excess of the costs that the Company would have incurred if it had not engaged in interconnected operations but instead generated an equivalent amount of electric energy or capacity itself or purchased an equivalent amount of electric energy or capacity from other sources.

In conformance with 17.9.570.9 NMAC, the Qualifying Facility shall give the Company at least sixty (60) days written advance notice to interconnect. Such notice shall specify the date the Qualifying Facility will be ready for interconnection, the date the Qualifying Facility will be able to commence testing, and the anticipated date of operation after testing. The Customer shall pay the estimated interconnection costs in full at the time notice to interconnect is provided to the Company. Upon completion of the interconnection, the actual costs shall be computed and reimbursements to the appropriate party shall be made for any differences between the actual and estimated cost of interconnection.

In addition, Customers with a design capacity greater than 100 kW shall pay an annual charge of 5.4414% of the capital costs of interconnection to provide for the recovery of property taxes, X
revenue related taxes, depreciation expense, and operation and maintenance expenses. The

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 24 X
CANCELLING TWELFTH REVISED RATE NO. 24 X

INTERRUPTIBLE POWER SERVICE FOR
COGENERATION AND SMALL POWER PRODUCTION FACILITIES

annual charge of 5.4414% is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month. X

METERING EQUIPMENT AND FACILITIES

The metering options available to the Qualifying Facility are described in the Company's Rate No. 16 Purchased Power Service.

The Company will install, own and maintain all meters and metering equipment. The Customer will install Company approved meter sockets and metering cabinets.

The Company may install, at its expense, on the Customer's premises, load research metering. The Customer shall supply, at no expense to the Company, a suitable location for meters and associated equipment used for billing and for load research purposes.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices. The provisions of any contract associated with service under this rate schedule are also applicable.

This rate schedule shall be binding upon the Company and the Customer for a period coterminous with the interconnection agreement; provided, however, that the Customer may terminate service provided under this rate schedule at any time during such term by providing the Company with written notice at least one (1) year prior to the effective date of such termination and the Company may terminate in accordance with regulatory regulations. Any change in this rate schedule approved by a regulatory authority with the requisite jurisdiction, shall become effective upon such approval and remain in force until the expiration of the term of this rate schedule or the termination by Customer in accordance with the requirements herein contained, whichever event occurs first

Amended Filing

EL PASO ELECTRIC COMPANY

THIRTEENTH REVISED RATE NO. 24 X
CANCELLING TWELFTH REVISED RATE NO. 24 X

INTERRUPTIBLE POWER SERVICE FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

in time. The service supplied hereunder is to be used exclusively within the premises of the Customer, as defined in the Customer's application for service.

The Customer will furnish to the Company such data as required by the Company to determine that the customer meets the requirements for qualification.

The Qualifying Facility may be connected for (1) parallel operation with the Company's service, or (2) isolated operation with Interruptible Power Service provided by the Company by means of a double-throw switch or other Company approved switching solution.

EL PASO ELECTRIC COMPANY

ELEVENTH REVISED RATE NO. 25
CANCELLING TENTH REVISED RATE NO. 25

OUTDOOR RECREATIONAL LIGHTING SERVICE RATE
X

APPLICABILITY

This rate schedule is available to Customers for outdoor recreational lighting installations such as athletic fields, race tracks, and other sport and recreational facilities.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single delivery point designated by the Company. Electric energy will be measured by a single meter, or measuring device, of each kind needed.

MONTHLY RATE

PHASE 1 (Expires September 30, 2027)

Customer Charge (per meter per month)	$15.15

Energy Charge Per kWh	Summer (June through September)	Non-Summer (October through May)
All kWh	$0.12865	$0.11016

PHASE 2 (Effective October 1, 2027)

Customer Charge (per meter per month)	$15.15

Energy Charge Per kWh	Summer (June through September)	Non-Summer (October through May)
All kWh	$0.17505	$0.15220

MONTHLY MINIMUM CHARGE

EL PASO ELECTRIC COMPANY

ELEVENTH REVISED RATE NO. 25
CANCELLING TENTH REVISED RATE NO. 25

OUTDOOR RECREATIONAL LIGHTING SERVICE RATE
X

The Monthly Minimum Charge is the Customer Charge, Other Non-Consumption Based Applicable Riders, and Tax Adjustment.

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

EL PASO ELECTRIC COMPANY

ELEVENTH REVISED RATE NO. 25
CANCELLING TENTH REVISED RATE NO. 25

OUTDOOR RECREATIONAL LIGHTING SERVICE RATE
X

Service to ancillary facilities, such as concessions, locker rooms, and rest rooms, must be separately metered and billed under the applicable rate schedule.

EL PASO ELECTRIC COMPANY

TENTH REVISED RATE NO. 26
CANCELLING NINTH REVISED RATE NO. 26

STATE UNIVERSITY SERVICE RATE
X

APPLICABILITY

This rate schedule is available to any public college or university's main campus for lighting, power and heating service. The Customer and the Company will determine whether a Customer qualifies for this rate schedule. A Customer qualifies for this rate schedule if the expected monthly Maximum Demand will exceed 6,000 kilowatts (kW). A contract may be required in order to take service under this rate schedule.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will be three phase and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or measuring device, of each kind needed.

MONTHLY RATES

PHASE 1 (Expires September 30, 2027)

Customer Charge (per meter per month)	$3,887.11

	Summer (June through September)	**Non-Summer** (October through May)
Demand Charge per Billing kW	$18.58	$9.29
Energy Charge per kWh		
On-Peak Period	$0.11327	-------
Off Peak Period	$0.00901	$0.00901

PHASE 2 (Effective October 1, 2027)

Customer Charge (per meter per month)	$4,872.23

	Summer	**Non-Summer**

EL PASO ELECTRIC COMPANY

TENTH REVISED RATE NO. 26
CANCELLING NINTH REVISED RATE NO. 26

STATE UNIVERSITY SERVICE RATE
X

	(June through September)	(October through May)
Demand Charge per Billing kW	$22.82	$11.87
Energy Charge per kWh		
On-Peak Period	$0.14199	-------
Off Peak Period	$0.01130	$0.01130

The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M, Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period.

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge plus Demand Charge, Other Non-Consumption Based Applicable Riders, and Tax Adjustment.

DETERMINATION OF BILLING DEMAND

Maximum Demand is defined as the highest measured thirty (30) minute interval kW load.

The billing demand (in kW) will be the highest of:

(a) the Maximum Demand, adjusted by the Meter Voltage Adjustment, if applicable; or,
(b) the demand ratchet of 65% of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period; or
(c) 6,000 kW.

POWER FACTOR ADJUSTMENT

If the power factor at the time of Maximum Demand is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = ((kW x .95 / PF) – kW) x DC, where
ADJ = Increase to applicable Demand Charge,
kW = Maximum Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge.

EL PASO ELECTRIC COMPANY

TENTH REVISED RATE NO. 26
CANCELLING NINTH REVISED RATE NO. 26

STATE UNIVERSITY SERVICE RATE
X

METER VOLTAGE ADJUSTMENT

If electric service is delivered on the high voltage side of a Customer-supplied transformer and is metered on the low voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum Demand = Maximum Demand multiplied by 1.014
Billing kilowatt-hours = Metered kilowatt-hours multiplied by 1.022

If electric service is delivered on the low voltage side of a Company-owned transformer and is metered on the high voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum Demand = Maximum Demand divided by 1.014
Billing kilowatt-hours = Metered kilowatt-hours divided by 1.022

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

EL PASO ELECTRIC COMPANY

TENTH REVISED RATE NO. 26
CANCELLING NINTH REVISED RATE NO. 26

STATE UNIVERSITY SERVICE RATE
X

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

If the Customer's Maximum Demand is below 6,000 kW in the current month and previous month and the Customer's load is expected to remain at that level of demand, the Customer shall no longer be eligible for service under this rate and shall be placed on Rate No. 09 – Large Power Service Rate or Rate No. 04 – General Service Rate, as applicable, starting with the following billing month,.

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

EL PASO ELECTRIC COMPANY

EIGHTH REVISED RATE NO. 29 X
CANCELLING SEVENTH REVISED RATE NO. 29 X

NOTICED INTERRUPTIBLE SERVICE RATE
FOR LARGE POWER SERVICE

APPLICABILITY

The availability of this rate schedule will be limited to a maximum of 100 megawatts (MW) of total applicable interruptible demand for all participating Customers at any one time, as measured by the difference between each customer's contracted firm demand and each customer's expected maximum demand at the time of the Company's expected native system peak; however, this limitation of 100 MW will not be the basis for the termination of a customer's service under this rate while the Customer is under a contract for service under this rate. This rate schedule is available to current Customers with total connected capacity requirements of at least 1,000 kilowatts (kW) and not served at a transmission voltage level, and at the sole discretion of the Company. The minimum level of firm demand to be required from qualifying Customers is 800 kW, unless a different amount is provided by a contract with a customer existing prior to the effective date of the eighth revised version of this rate schedule. X X X X X X X

X

Noticed Interruptible Power Service is available under this schedule only if the utilization of this service is of such character that the service is capable of being interrupted at any time, upon Company request, without damage to property or persons and without adversely affecting the public health, safety and welfare. This rate schedule is available only in conjunction with firm service under other applicable rate schedules. X

At Customer's expense, the Customer will install all necessary communication, relay and breaker equipment to qualify for service under this rate schedule, subject to Company approval. The Customer will pay for associated hardware costs.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MONTHLY RATES

EL PASO ELECTRIC COMPANY

EIGHTH REVISED RATE NO. 29 X
CANCELLING SEVENTH REVISED RATE NO. 29 X

NOTICED INTERRUPTIBLE SERVICE RATE
FOR LARGE POWER SERVICE

	Secondary Voltage	Primary Voltage	Transmission Voltage	X X
Demand Charge per Billing kW	$6.01	$4.61	$2.56	X
Energy Charge per kWh	$0.01135	$0.01135	$0.01135	

DETERMINATION OF BILLING DEMAND AND ENERGY

Maximum Demand will consist of both firm and interruptible demand, and is defined as the highest measured thirty (30) minute interval kW load. The Maximum Demand will be adjusted for billing X when the Meter Voltage Adjustment clause is applicable.

The Total Billing Demand will be the Maximum Demand. In no event shall Total Billing Demand be less than the Minimum Firm Contract Capacity specified in the Contract for Power Service.

Firm Power Billing Demand shall be the lesser of (1) the Total Billing Demand or (2) the Contract Firm Power Demand established in the Contract for Power Service, but not less than the Minimum Firm Contract Capacity specified in the Contract for Power Service.

Firm Power Billing Demand as defined herein shall constitute the "demand used for billing" under the Customer's firm service rate schedule, and shall be billed in accordance with the rate schedule applicable to Customer’s firm service. Noticed Interruptible Power Billing Demand shall be determined as Total Billing Demand minus Firm Power Billing Demand, and shall be billed in accordance with this rate schedule.

Firm Energy shall be determined by multiplying the ratio of the Firm Power Billing Demand to the Total Billing Demand times the metered kWh. Firm Energy shall be billed in accordance with the rate schedule applicable to the Customer’s firm service. Noticed Interruptible Energy shall be the difference between the metered kWh and the Firm Energy. Noticed Interruptible Energy shall be billed in accordance with this rate schedule.

POWER FACTOR ADJUSTMENT

If the power factor at the time of the Maximum Demand for the entire load is below 90% lagging, a power factor adjustment shall be calculated as follows:

EL PASO ELECTRIC COMPANY

EIGHTH REVISED RATE NO. 29 X
CANCELLING SEVENTH REVISED RATE NO. 29 X

NOTICED INTERRUPTIBLE SERVICE RATE
FOR LARGE POWER SERVICE

ADJ = ((kW x .95 / PF) – kW) x DC, where
ADJ = Increase to applicable Demand Charge,
kW = Maximum Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge.

METER VOLTAGE ADJUSTMENT

If electric service is delivered on the high voltage side of a Customer-supplied transformer and is metered on the low voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum Demand = Maximum Demand multiplied by 1.014 X
Billing kilowatt-hours = Metered kilowatt-hours multiplied by 1.022

If electric service is delivered on the low voltage side of a Company-owned transformer and is metered on the high voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum Demand = Maximum Demand divided by 1.014 X
Billing kilowatt-hours = Metered kilowatt-hours divided by 1.022

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering X
provision will be applied by TOD period. X

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period. X
X

EL PASO ELECTRIC COMPANY

EIGHTH REVISED RATE NO. 29 X
CANCELLING SEVENTH REVISED RATE NO. 29 X

NOTICED INTERRUPTIBLE SERVICE RATE
FOR LARGE POWER SERVICE

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

CONTRACT FOR SERVICE

A Contract for Power Service (Contract) must be executed between the Company and the Customer prior to taking service under this rate schedule. The Contract shall define the amount of the Customer's demand that shall be served as firm demand. All demand in excess of the amount of firm demand specified in the Contract shall constitute interruptible demand and shall be served and billed on that basis. The Contract term shall be for an initial period of three (3) years, and shall continue year-to-year thereafter until canceled by either party upon one (1) year prior written notice. The amount of Contract Firm Power Demand and Minimum Firm Contract Capacity specified in the Contract will supersede and control over any inconsistent level of demand specified in any pre-existing agreement between the Company and the Customer.

SCHEDULING PROCEDURES

The Company and the Customer shall agree upon detailed procedures for requesting, providing notice of, and implementing interruptions, and shall set forth the same in the Contract for Power Service.

GENERAL CONDITIONS

The Company may make intentional interruptions at any time, at the Company's sole discretion, X for up to two hundred (200) hours in any calendar year with individual interruptions limited to no more than six (6) hours per interruption, and no more than three (3) interruptions per calendar week. In the event of an interruption, the Company will provide thirty (30) minute notice prior to the interruption. Emergency conditions are deemed to exist at any time, in the sole judgment of the Company, that demands for electricity exceed or are expected to exceed the Company's available electric supply for whatever reason, including, but not limited to, breakdown of

EL PASO ELECTRIC COMPANY

EIGHTH REVISED RATE NO. 29 X
CANCELLING SEVENTH REVISED RATE NO. 29 X

NOTICED INTERRUPTIBLE SERVICE RATE
FOR LARGE POWER SERVICE

generating units, distribution equipment or other critical facilities; short or long term shortages of fuel or generation, distribution, and other facilities; and requirements or orders of governmental agencies. The Company may not interrupt the Customer: (1) due solely to differences between the Company's marginal cost of energy and the energy-related charges for Noticed Interruptible Power Service; or (2) to continue or make non-firm off-system sales.

An hour of interruption shall be any clock-hour or part thereof during which the Company invokes an intentional interruption. The number of hours of interruption remaining during the calendar year for the term of the contract shall be reduced by a minimum of four (4) hours each interruption occasion, even though the actual interruption may last for a lesser period.

Interruptions will be directly controlled by the Company's system operator with the appropriate notice provided to Customer.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices. The provisions of any contract associated with service under this rate schedule are also applicable.

During the term of the Customers' Contract for Power Service, Customer may not engage in self-generation other than periodic operation of self-generation facilities for emergency situations or to comply with an interruption request.

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

EL PASO ELECTRIC COMPANY

EIGHTH REVISED RATE NO. 29 X
CANCELLING SEVENTH REVISED RATE NO. 29 X

NOTICED INTERRUPTIBLE SERVICE RATE
FOR LARGE POWER SERVICE

NON-COMPLIANCE

Noticed Interruptible Power Service is provided to the Customer with the explicit knowledge and understanding that such service shall be subject to curtailment by the customer with notice from the Company. Failure to comply with the Company's request to curtail shall result in the following adjustments to Customer billings and service:

(1) During a calendar year, the first occasion in which the Customer fails to comply with a request for curtailment shall result in the customer being billed (or re-billed, if necessary) for the entire month at the retail rates currently in effect and otherwise applicable to the Customer ("Retail Rate"); and

(2) During the same calendar year, the second occasion in which the Customer fails to comply with a request for curtailment shall result in the Customer re-billed at the Retail Rate for the period from January 1 of such calendar year through the end of the month in which such second failure occurred (less amounts previously remitted by Customer for such period) with an additional five percent (5%) charge applied to the additional base portion of the recalculated monthly bills (less amounts previously remitted by Customer for such period); and

(3) During the same calendar year, the third occasion in which the Customer fails to comply with a request for curtailment shall result in the immediate termination of service under the Noticed Interruptible Service Rate, and the Customer will be served and billed for electric service for that entire month and thereafter at the Retail Rate. Additionally, the Customer will be re-billed at the Retail Rate for each month of such calendar year that was not previously billed or re-billed at the Retail Rate under this Non-Compliance provision, with an additional five percent (5%) charge applied to the additional base portion of the recalculated monthly bills (less amounts previously remitted by the Customer for such period).

EL PASO ELECTRIC COMPANY

EIGHTH REVISED RATE NO. 30 X
CANCELLING SEVENTH REVISED RATE NO. 30 X

LOAD RETENTION RATE

APPLICABILITY

This rate schedule is applicable to all non-governmental commercial and industrial customers of the Company that have taken service from the Company for a period of at least twelve (12) consecutive months and have Maximum Demand of at least 500 kilowatts (kW).

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

AVAILABILITY

The Load Retention Rate is available to Customers who meet the following criteria:

1. The Customer must provide notice to the Company that they will request termination of electrical service for either a portion or all of their electrical power and energy requirements due to an alternative generation source, or

2. The Customer must demonstrate that they will leave the Company's system, or discontinue or curtail service for financial reasons.

3. The Customer must submit a notarized affidavit that attests to the fact that but for the Load Retention Rate contained herein, the Customer will leave the Company's system.

MONTHLY RATE

The Company may enter into negotiations with the Customer for a mutual agreement to establish a lower rate not less than the Company's incremental cost of power and energy as estimated over the term of the contract. Sufficient documentation of the cost estimates used in determining the economic feasibility of an alternative generation source shall be provided to the Company for their review. The negotiated agreement shall be subject to the review and final approval of the New Mexico Public Regulation Commission (NMPRC).

The Company, at its option, will annually review its incremental cost of providing service to a contracted Load Retention Customer to determine if such costs exceed the Customer's contracted charges. Should the incremental costs exceed the Customer's contracted rate, the Company will adjust the charge to be above or equal to the incremental cost.

EL PASO ELECTRIC COMPANY

EIGHTH REVISED RATE NO. 30 X
CANCELLING SEVENTH REVISED RATE NO. 30 X

LOAD RETENTION RATE

REQUIRED INFORMATION

The Company shall obtain the following information from the Customer, and file that information with the NMPRC:

1. The Customer shall provide detailed engineering and economic studies and/or related information that clearly demonstrate the Customer's ability to displace load;

2. The Customer shall provide a sworn affidavit which states that the Customer is ready, willing, and able to leave the Company's system should this Load Retention Rate not be offered;

3. The Customer shall provide a signed statement from a qualified professional engineer that the Customer's potential alternative energy source meets all environmental standards set by applicable governmental entities including the Federal Clean Air Act, and all amendments;

4. An agreement as to the limit placed on the maximum number of kWh that can be taken by the Customer under this rate schedule, per year.

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering provision will X be applied by TOD period.

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to provisions of those riders. For X Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD X period.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied

EL PASO ELECTRIC COMPANY

EIGHTH REVISED RATE NO. 30 X
CANCELLING SEVENTH REVISED RATE NO. 30 X

LOAD RETENTION RATE

or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices. The provisions of any contract associated with service under this rate schedule are also applicable.

Maximum Demand is defined as the highest measured thirty (30) minute average kW load.

EL PASO ELECTRIC COMPANY

SECOND REVISED RATE NO. 39 X
CANCELLING FIRST RATE NO. 39 X

ECONOMIC DEVELOPMENT RATE

APPLICABILITY

This rate schedule is available for the total maximum demand of a new Customer or for the additional maximum demand of an existing Customer. The minimum monthly billing demand for any Customer to be eligible for service under this rate schedule must be at least 500 kilowatts ("kW"). A New Customer must not have taken electric service from the Company in New Mexico or Texas within the twelve (12) consecutive months prior to requesting the EDR. An Existing Customer must have taken electric service from the Company for a period of at least twelve (12) consecutive months prior to requesting the Economic Development Rate ("EDR") and must have a proposed incremental demand of at least 100 kW. The availability of this rate schedule will be limited to 50 megawatts of total applicable demand for all participating Customers at any one time. Participation will be based upon the date on which Customers complete all requirements for participation.

Customers taking service under this rate schedule must permanently increase employment by a minimum of two (2) full-time employees per 100 kW of new or additional load ("Qualifying Employees"). The Customer must furnish the Company with a notarized affidavit from an officer, owner, or other appropriate official of the Customer identifying the number of Qualifying Employees directly associated with the new or increased connected load. The Customer must also furnish the Company with similar affidavits stating the actual number of Qualifying Employees as of December 31 of each year that this rate schedule is in effect. Such subsequent written affidavits will be submitted to the Company no later than January 31 of the following year.

The Customer taking service under this rate schedule must also furnish the Company with a notarized affidavit from an officer, owner, or other official responsible for the decision that resulted in the new load or addition thereto, confirming that availability of this rate schedule was an important contributing factor in the Customer's decision to add the new or additional load, and that absent this rate schedule, the customer would have exercised other available options and added new load or located new service outside of the Company's New Mexico service territory. The Company reserves the right to verify the statements included in each Customer's affidavit.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

EL PASO ELECTRIC COMPANY

SECOND REVISED RATE NO. 39 X
CANCELLING FIRST RATE NO. 39 X

ECONOMIC DEVELOPMENT RATE

TYPE OF SERVICE

The type of service available to the Customer will be determined by the Company and will either be single or three phase, at the option of the Company, and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company and will be measured by a single meter of each kind needed as determined by the Company. Discounts available under this rate schedule will be applicable to the voltage under which the Customer is currently or projected to receive service.

DEFINITIONS

Base Period – For an Existing Customer, the Base Period is the twelve (12) months immediately preceding the month that service is requested under this rate schedule. For a New Customer, there is no Base Period.

Base Period Demand – For an Existing Customer, the Maximum Demand, as defined in the Customer's applicable retail rate schedule, under normal operating conditions for the Base Period used to determine the additional demand to be billed under this rate schedule. For a New Customer, this amount is 0 kW. In the event an Existing Customer installs energy efficiency measures that reduce its demand, the Maximum Demand for the Base Period will be adjusted to compensate for any such verified demand reduction.

Existing Customer – As defined in the Applicability section of this rate schedule.

Full-Time Employment – Employment existing at the end of the Base Period for those whose employment has been regularly scheduled for at least 1,500 hours during the Base Period for the purpose of normal operations. Full-Time Employment for New Customers will be mutually agreed upon between the Company and the New Customer. Employment verification procedures will be mutually agreed upon between the Company and the Customer.

Incremental Cost – For purposes of this rate schedule, incremental cost, at a minimum, shall include all additional costs incurred to serve the Customer taking service under this rate schedule that would not otherwise have been incurred to serve other Customers, including but not limited to: fuel and purchased power costs, costs recoverable from Customers pursuant to the Renewable Energy Act and the Efficient Use of Energy Act, and the direct costs of facilities necessary to provide service to the Customer.

EL PASO ELECTRIC COMPANY

SECOND REVISED RATE NO. 39 X
CANCELLING FIRST RATE NO. 39 X

ECONOMIC DEVELOPMENT RATE

Incremental Demand – For purposes of this rate schedule, incremental demand is all kW billing demand above the Base Period Demand, and represents the additional demand to be billed at the discounted EDR pursuant to this rate schedule.

New Customer – As defined in the Applicability section of this rate schedule.

Qualifying Employee – As defined in the Applicability section of this rate schedule.

MONTHLY RATE

The Economic Development Rate shall be the retail rate schedule currently in effect and applicable to Customer, except as modified by this section. All provisions in the retail rate schedule are applicable, except as specifically excluded in this rate schedule.

The Company may enter into negotiations with the Customer for a mutual agreement to establish lower rates not less than the Company's incremental cost of demand and energy as estimated over the term of the agreement, subject to the provisions below:

1. The proposed EDR agreement shall be subject to NMPRC review and approval.

2. An EDR agreement approved or otherwise allowed to become effective for any Customer shall last no longer than four (4) years, except that the NMPRC may approve the EDR contract for up to twelve (12) additional months if the NMPRC determines that the additional period is necessary to attract a particular Customer to New Mexico.

3. During the term of the EDR contract, should circumstances occur that disqualify a Customer from eligibility for an EDR, the Company shall promptly provide written notice to the Customer of the termination of the EDR contract and the associated EDR. EDR contract termination and removal of the discounted EDR shall be effective with the first billing cycle occurring a minimum of ten (10) days from the date of the written notice.

4. In the event that the Customer terminates electric service prior to the end of the EDR agreement termination date, the Company shall bill the Customer and the Customer shall reimburse the Company for the difference between the amounts charged to the Customer for the billing periods the EDR was in effect and the amounts that would have been charged under the otherwise applicable rate schedule.

EL PASO ELECTRIC COMPANY

SECOND REVISED RATE NO. 39 X
CANCELLING FIRST RATE NO. 39 X

ECONOMIC DEVELOPMENT RATE

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the NMPRC and available for inspection at Company offices. The provisions of any agreement associated with service under this rate schedule are also applicable.

A Customer without a prior service history with the Company will be classified under the appropriate rate schedule in accordance with the demand estimate performed by the Company.

Existing businesses changing ownership, location, or name do not qualify as new Customers. Those businesses must assume the same Base Period Demand as though they were continuing businesses and may qualify for an EDR as any other existing business. If a business ceases to exist and the premises are occupied by a new owner and a new business is created, it may qualify as a New Customer. The designation as a New Customer shall be determined by the Company, subject to the Customer's right to seek NMPRC review of such determination.

In the event the maximum monthly demand of an Existing Customer falls below the Base Period monthly maximum demand, the EDR contract between the Company and Customer will be void and the Customer will take service under the applicable rate schedule.

The Company retains the right to modify specific EDR contracts, with notice, to ensure compliance with applicable laws and regulations.

The Company retains the right to modify this rate schedule, with notice and upon NMPRC approval, as economic conditions in its New Mexico service area dictate.

EL PASO ELECTRIC COMPANY

SECOND REVISED RATE NO. 42
CANCELLING FIRST RATE NO. 42

EXPERIMENTAL ELECTRIC VEHICLE CHARGING RATE (EEVC)
X

APPLICABILITY

This rate schedule is available for service to residential and commercial Customers using a facility dedicated solely for the charging of an electric vehicle (EV).

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. Only charging activity, with or without storage and other associated appurtenances, will be eligible for service under this rate schedule. All service will be taken at one point of delivery, designated by the Company and dedicated solely for the charging of an EV. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MONTHLY TIME-OF-DAY RATE

The Combined Service Customer Charge applies to EV charging service that is billed in combination with service billed under a retail rate schedule. Otherwise, the Single Service Customer Charge applies.

ELECTRIC VEHICLE CHARGING RATE (Maximum Demand below 15kW in all months)

If Maximum Demand meets or exceeds 15 kW in the current month and previous month, the service will be transferred to and remain under the Electric Vehicle Charging Demand Rate, starting with the following billing month.

The Electric Vehicle Charging Rate applies to all existing EV charging services billed under Rate No. 42 until the effective date of this rate schedule in a subsequent rate case filing. At the Customer's option, the existing EV charging service can be transferred to and remain under the Electric Vehicle Charging Demand Rate.

Combined Service Customer Charge (per meter per month)	$13.02
Single Service Customer Charge (per meter per month)	$17.30

EL PASO ELECTRIC COMPANY

SECOND REVISED RATE NO. 42
CANCELLING FIRST RATE NO. 42

EXPERIMENTAL ELECTRIC VEHICLE CHARGING RATE (EEVC)
X

Energy Charge Per kWh	Summer (June through September)	Non-Summer (October through May)
On-Peak Period	$0.91569	---------
Off-Peak Period	$0.05632	$0.05632
Super Off-Peak Period	$0.01086	$0.01086

ELECTRIC VEHICLE CHARGING DEMAND RATE (Maximum Demand equal to or greater than 15kW in all months)

Combined Service Customer Charge (per meter per month)	$13.02
Single Service Customer Charge (per meter per month)	$17.30

Demand and Energy Charges	Summer (June through September)	Non-Summer (October through May)
Demand Charge per Billing kW	$5.91	$5.91
Energy Charge per kWh		
On-Peak Period	$0.89090	---------
Off-Peak Period	$0.03153	$0.03153
Super Off-Peak Period	$0.01086	$0.01086

The On-Peak Period shall be from 3:00 P.M. through 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Super Off-peak period is 12:00 A.M. through 8:00 A.M., Mountain Daylight and Standard Time, for Summer and Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak or Super Off-Peak Periods. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge plus Other Non-Consumption Based Applicable Riders, and Tax Adjustment.

DETERMINATION OF BILLING DEMAND

Maximum Demand is defined as the highest measured thirty (30) minute interval kW load.

EL PASO ELECTRIC COMPANY

SECOND REVISED RATE NO. 42
CANCELLING FIRST RATE NO. 42

EXPERIMENTAL ELECTRIC VEHICLE CHARGING RATE (EEVC)
X

The billing demand (in kW) will be the highest of:

(a) the Maximum Demand; or
(b) the demand ratchet of 60% of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period; or
(c) 15 kW.

The Company will reset the demand ratchet for customers installing Distributed Generation (DG) and/or storage following interconnection of the DG and/or storage, restarting the historical demand used for purposes of applying (b) above.

FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC). For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to the provisions of those riders. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

EL PASO ELECTRIC COMPANY

SECOND REVISED RATE NO. 42
CANCELLING FIRST RATE NO. 42

EXPERIMENTAL ELECTRIC VEHICLE CHARGING RATE (EEVC)
X

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

Service under this rate schedule shall not be not less than twelve (12) months during which time the Customer will maintain an active account and will pay the monthly minimum charges regardless of whether or not service is used under this rate schedule.

Prior to initiation of service under this rate schedule, Company personnel will verify the installation of the Customer’s charging station and that the load behind the meter is exclusively related to EV charging.

As an alternative to service under this rate schedule, Customers may choose to have the EV charging installation electrically connected behind their existing meter and the entire load billed under the Time Of Day Rate of the applicable rate schedule.

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 50

HIGH LOAD FACTOR POWER SERVICE RATE

APPLICABILITY

Service under this rate schedule shall be limited to Customers whose Maximum Demand, during the current month and previous eleven (11) month period, equaled or exceeded thirty thousand (30,000) kilowatts (kW) and whose average monthly load factor equaled or exceeded eighty-five percent (85%). For new Customers, initial applicability and monthly billing under this rate schedule are subject to expected Load Ramp Period requirements as established in an Energy Service Agreement.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will be three phase transmission voltage. All service will be taken at the single point of delivery into a customer-dedicated substation, which substation may be owned by the Company or the Customer. Electric energy will be measured by a meter or meters, or other measuring devices, of each kind needed based on the designated point or points of delivery.

“Energy Service Agreement” or “ESA” is defined as the executed written service agreement entered into by the Customer and the Company in accordance with this rate schedule.

“Contract Capacity” is defined as the Customer specified monthly post-Load Ramp Period peak load requirements for each month as set forth in the ESA.

“Load Ramp Contract Capacity” is defined as the mutually agreed monthly peak load requirements defined in the ESA associated with the Load Ramp Period.

“Load Ramp Period” is defined as the time between commencement of retail service until the customer reaches full Contract Capacity. The ESA must require that the Load Ramp Period cannot exceed 4 years.

MONTHLY RATES

Customer Charge (per meter per month)	$3,769.20

	Summer	Non-Summer

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 50

HIGH LOAD FACTOR POWER SERVICE RATE

Demand Charge per Billing kW		
On-Peak Period	$19.78	---
Off-Peak Period	$16.26	$10.97
Energy Charge per kWh		
On-Peak Period	$0.15131	---
Off-Peak Period	$0.01259	$0.01259

The Summer period shall be the months of June through September. The Non-Summer period shall be all other months. The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period.

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge plus Demand Charge, Other Non-Consumption Based Applicable Riders, Tax Adjustment, plus any applicable Facility Charge.

DETERMINATION OF BILLING DEMAND

Maximum Demand is defined as the highest measured thirty (30) minute interval kW load during the billing month.

The billing demand (in kW) will be the highest of:

(a) the Maximum Demand occurring in the On-Peak Period; or
(b) the Maximum Demand occurring in the Off-Peak Period; or
(c) 80% of the Contract Capacity; or
(d) the demand ratchet of 80% of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period; or
(e) 30,000 kW.

Customer will have no more time than the Load Ramp Period to reach full Contract Capacity, during which time, (b) above, monthly billing demand shall not be less than 80% of the customer's Load Ramp Contract Capacity rather than 80% of the Contract Capacity.

The billing demands under (c) through (e), will be prorated based on number of hours in the On-Peak Period and in the Off-Peak Period during the billing month.

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 50

HIGH LOAD FACTOR POWER SERVICE RATE

POWER FACTOR ADJUSTMENT

If the power factor at the time of Maximum Demand is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = ((kW x .95 / PF) – kW) x DC, where
ADJ = Increase to applicable Demand Charge,
kW = Maximum Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge.

FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC).

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to provisions of those riders.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

CONTRACT FOR SERVICE

An Energy Service Agreement, and any associated addenda, must be executed between the Company and the Customer which shall be filed by the Company with the New Mexico Public Regulation Commission prior to taking service under this rate schedule. The ESA shall include, among other things, the following provisions:

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 50

HIGH LOAD FACTOR POWER SERVICE RATE

Initial Term Minimum: Twenty (20) year minimum initial term, with automatic annual renewal after the Initial Term, as further provided in the ESA. The Load Ramp Period is included in the Initial Term Minimum.

Security: If the Customer executing the Energy Service Agreement has at least two of the following three ratings (i) an Issuer Credit Rating of at least “A-” from Standard and Poor’s (S&P), (ii) an Issuer Rating of at least “A3” from Moody’s Investor Service (Moody’s), or (iii) a Long-Term Issuer Default Rating of at least “A-“ from Fitch Ratings (Fitch), then financial security will not be required. If financial security is required, it shall be provided in a form acceptable to the Company, in an amount and subject to other terms specified in the Energy Service Agreement and may be modified annually, as set forth below. The Security Amount must be provided in one or more of the following forms:

(1) Post of cash or cash equivalents.
(2) An irrevocable standby letter of credit (“Letter of Credit”) issued by a U.S. bank or the U.S. branch of a foreign bank, which is not affiliated with the customer, with an Issuer Credit Rating of at least “A-“ from S&P or an Issuer Rating of at least “A3” from Moody’s. Such security must be issued for a minimum term of 365 days. The Customer must cause the renewal or extension of the security for additional consecutive terms of 365 days or more no later than 30 days prior to each expiration date of the security. If the security is not renewed or extended as required herein, the Company will have the right to draw immediately upon the Letter of Credit and be entitled to hold the amounts drawn as security.
(3) An irrevocable and unconditional guarantee from the ultimate parent or a corporate affiliate of the Customer (the “Guarantor”), so long as the Guarantor has (a) at least two of the following three ratings (i) an Issuer Credit Rating of at least A- from S&P, (ii) an Issuer Rating of at least A3 from Moody’s, or (iii) a Long-Term Issuer Default Rating of at least “A-“ from Fitch, or (b) is approved by EPE in its reasonable discretion.

If such requirements are no longer met, then Customer must provide replacement security in an acceptable form, as specified above, within 30 days or the Customer may enter into an event of default, as outlined in the ESA.

Initial Security Amount: If financial security is required pursuant to the above, then the Company and Customer will agree on an Initial Security Amount to be included in the Energy Service Agreement and such amount is subject to change annually, as described below. The Initial Security Amount shall reflect the initial incremental investment exposure of the

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 50

HIGH LOAD FACTOR POWER SERVICE RATE

Company prior to the Annual Security Adjustment, Customer's Estimated Load Forecast, Customer's cash contributions for Facilities, and other Customer characteristics as necessary.

Security provided by the Customer shall be calculated on a dollar per MW basis of the requested maximum Monthly Contract Demand over the Initial Term and included in the Energy Service Agreement.

Annual Security Adjustment: On an annual basis the Security Amount will be adjusted (the "Adjusted Security Amount") by Company based on the Customer Estimated Load Forecast and the Company's projected incremental cost of resources necessary for service of Customer for the remainder of the Initial Term or any renewal thereof. Prior to the execution of any procurement agreements, the Company will provide Customer the estimated cost of, and annual revenue requirement for, incremental new generation assets and incremental new transmission assets, and the Customer's allocated share of the annual revenue requirement consistent with the most recent Commission-approved cost of service study, adjusted for other executed Energy Service Agreements under this Tariff not yet included in the cost of service study. The Adjusted Security Amount will be equal to the net present value, using a discount rate equal to Company's weighted average cost of capital approved by the New Mexico Public Regulation Commission at the time of the calculation, of the sum of the allocated annual revenue requirements for the remainder of the Initial Term or any renewal thereof. The Company will provide Customer with all inputs and assumptions. The Customer will have no less than 90 days to review the inputs, assumptions, and calculations. In the event of an error or disagreement, the Company and Customer will work together in good faith to resolve such error or disagreement.

Termination for Default: Customers terminating service, as the result of an Event of Default under the terms of the Energy Service Agreement or this rate schedule prior to the end of the Initial Term may be subject to damages as set forth in the Energy Services Agreement.

FACILITY CHARGE

Customer-dedicated Facility Cost Recovery ("Facility Charge): A Facility Charge shall be based on the actual customer-dedicated facility costs incurred by the Company on behalf of the Customer and provide for full recovery of such costs and the associated operating and maintenance costs of the facility, as defined in the ESA. The amount and duration of the Facility Charge shall be determined by separate agreement between the Company and the Customer and included in the ESA.

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 50

HIGH LOAD FACTOR POWER SERVICE RATE

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

The Customer and the Company will determine whether a new Customer qualifies for this rate schedule.

If the Customer's Maximum Demand falls below 30,000 kW in the current month and previous month after the Load Ramp Period, the Customer shall no longer be eligible for service under this rate schedule and shall be placed on Rate No. 04 – General Service Rate or Rate No. 09 – Large Power Service or Rate No. 51 – Large Load Power Service Rate, as applicable, starting with the following billing month. After a minimum of twelve (12) months on the applicable rate schedule, should the Customer's Maximum Demand equal or exceed 30,000 kW in any two (2) consecutive months thereafter, the Customer shall be returned to Rate No. 50 – High Load Factor Power Service. The provisions of the ESA will continue to apply regardless of rate schedule that Customer is placed under.

If the Customer’s average monthly load factor falls below 85% in the current month and previous month after the Load Ramp Period, the Customer shall no longer be eligible for service under this rate schedule and shall be placed on Rate No. 51 – Large Load Power Service starting with the following billing month. After a minimum of twelve (12) months on Rate No. 51 – Large Load Power Service, should the Customer's average monthly load factor equal or exceed 85% in any two (2) consecutive months thereafter, the Customer shall be returned to Rate No. 50 – High Load Factor Power Service.

Any new Customer that has not established a prior service history with the Company shall be classified under the appropriate rate schedule in accordance with a demand estimate performed by the Company.

PRORATION ADJUSTMENTS

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 50

HIGH LOAD FACTOR POWER SERVICE RATE

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 51

LARGE LOAD POWER SERVICE RATE

APPLICABILITY

Service under this rate schedule shall be limited to Customers whose Maximum Demand, during the current month and previous eleven (11) month period, equaled or exceeded ten thousand (10,000) kilowatts (kW). For new Customers, initial applicability and monthly billing under this rate schedule are subject to expected Load Ramp Period requirements as established in an Energy Service Agreement.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will be three phase transmission voltage. All service will be taken at the single point of delivery into a customer-dedicated substation, which substation may be owned by the Company or the Customer. Electric energy will be measured by a meter or meters, or other measuring devices, of each kind needed based on the designated point or points of delivery.

“Energy Service Agreement” or “ESA” is defined as the executed written service agreement entered into by the Customer and the Company in accordance with this rate schedule.

“Contract Capacity” is defined as the Customer specified monthly post-Load Ramp Period peak load requirements for each month as set forth in the ESA.

“Load Ramp Contract Capacity” is defined as the mutually agreed monthly peak load requirements defined in the ESA associated with the Load Ramp Period.

“Load Ramp Period” is defined as the time between commencement of retail service until the customer reaches full Contract Capacity. The ESA must require that the Load Ramp Period cannot exceed 4 years.

MONTHLY RATES

Customer Charge (per meter per month)	$1,328.98

	Summer	**Non-Summer**
Demand Charge per Billing kW		

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 51

LARGE LOAD POWER SERVICE RATE

On-Peak Period	$28.53	---
Off-Peak Period	$25.16	$6.20
Energy Charge per kWh		
On-Peak Period	$0.24157	---
Off-Peak Period	$0.01409	$0.01409

The Summer period shall be the months of June through September. The Non-Summer period shall be all other months. The On-Peak Period shall be from 3:00 P.M. to 7:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months. The Off-Peak Period shall be all other hours not covered in the On-Peak Period.

MONTHLY MINIMUM CHARGE

The Monthly Minimum Charge is the Customer Charge plus Demand Charge, Other Non-Consumption Based Applicable Riders, Tax Adjustment, plus any applicable Facility Charge.

DETERMINATION OF BILLING DEMAND

Maximum Demand is defined as the highest measured thirty (30) minute interval kW load during the billing month.

The billing demand (in kW) will be the highest of:

(a) the Maximum Demand occurring in the On-Peak Period; or
(b) the Maximum Demand occurring in the Off-Peak Period; or
(c) 80% of the Contract Capacity; or
(d) the demand ratchet of 80% of the Maximum Demand established during the billing months of June through September in the preceding twelve (12) month period; or
(e) 10,000 kW.

Customer will have no more time than the Load Ramp Period to reach full Contract Capacity, during which time, (b) above, monthly billing demand shall not be less than 80% of the customer's Load Ramp Contract Capacity rather than 80% of the Contract Capacity.

The billing demands under (c) through (e), will be prorated based on number of hours in the On-Peak Period and in the Off-Peak Period during the billing month.

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 51

LARGE LOAD POWER SERVICE RATE

POWER FACTOR ADJUSTMENT

If the power factor at the time of Maximum Demand is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = ((kW x .95 / PF) – kW) x DC, where
ADJ = Increase to applicable Demand Charge,
kW = Maximum Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge.

FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC).

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to provisions of those riders.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

CONTRACT FOR SERVICE

An Energy Service Agreement, and any associated addenda, must be executed between the Company and the Customer which shall be filed by the Company with the New Mexico Public Regulation Commission prior to taking service under this rate schedule. The ESA shall include, among other things, the following provisions:

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 51

LARGE LOAD POWER SERVICE RATE

Initial Term Minimum: Twenty (20) year minimum initial term, with automatic annual renewal after the Initial Term, as further provided in the ESA. The Load Ramp Period is included in the Initial Term Minimum.

Security: If the Customer executing the Energy Service Agreement has at least two of the following three ratings (i) an Issuer Credit Rating of at least “A-” from Standard and Poor’s (S&P), (ii) an Issuer Rating of at least “A3” from Moody’s Investor Service (Moody’s), or (iii) a Long-Term Issuer Default Rating of at least “A-“ from Fitch Ratings (Fitch), then financial security will not be required. If financial security is required, it shall be provided in a form acceptable to the Company, in an amount and subject to other terms specified in the Energy Service Agreement and may be modified annually, as set forth below. The Security Amount must be provided in one or more of the following forms:

(1) Post of cash or cash equivalents.
(2) An irrevocable standby letter of credit (“Letter of Credit”) issued by a U.S. bank or the U.S. branch of a foreign bank, which is not affiliated with the customer, with an Issuer Credit Rating of at least “A-“ from S&P or an Issuer Rating of at least “A3” from Moody’s. Such security must be issued for a minimum term of 365 days. The Customer must cause the renewal or extension of the security for additional consecutive terms of 365 days or more no later than 30 days prior to each expiration date of the security. If the security is not renewed or extended as required herein, the Company will have the right to draw immediately upon the Letter of Credit and be entitled to hold the amounts drawn as security.
(3) An irrevocable and unconditional guarantee from the ultimate parent or a corporate affiliate of the Customer (the “Guarantor”), so long as the Guarantor has (a) at least two of the following three ratings (i) an Issuer Credit Rating of at least A- from S&P, (ii) an Issuer Rating of at least A3 from Moody’s, or (iii) a Long-Term Issuer Default Rating of at least “A-“ from Fitch, or (b) is approved by EPE in its reasonable discretion.

If such requirements are no longer met, then Customer must provide replacement security in an acceptable form, as specified above, within 30 days or the Customer may enter into an event of default, as outlined in the ESA.

Initial Security Amount: If financial security is required pursuant to the above, then the Company and Customer will agree on an Initial Security Amount to be included in the Energy Service Agreement and such amount is subject to change annually, as described below. The Initial Security Amount shall reflect the initial incremental investment exposure of the

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 51

LARGE LOAD POWER SERVICE RATE

Company prior to the Annual Security Adjustment, Customer’s Estimated Load Forecast, Customer’s cash contributions for Facilities, and other Customer characteristics as necessary.

Security provided by the Customer shall be calculated on a dollar per MW basis of the requested maximum Monthly Contract Demand over the Initial Term and included in the Energy Service Agreement.

Annual Security Adjustment: On an annual basis the Security Amount will be adjusted (the “Adjusted Security Amount”) by Company based on the Customer Estimated Load Forecast and the Company’s projected incremental cost of resources necessary for service of Customer for the remainder of the Initial Term or any renewal thereof. Prior to the execution of any procurement agreements, the Company will provide Customer the estimated cost of, and annual revenue requirement for, incremental new generation assets and incremental new transmission assets, and the Customer’s allocated share of the annual revenue requirement consistent with the most recent Commission-approved cost of service study, adjusted for other executed Energy Service Agreements under this Tariff not yet included in the cost of service study. The Adjusted Security Amount will be equal to the net present value, using a discount rate equal to Company’s weighted average cost of capital approved by the New Mexico Public Regulation Commission at the time of the calculation, of the sum of the allocated annual revenue requirements for the remainder of the Initial Term or any renewal thereof. The Company will provide Customer with all inputs and assumptions. The Customer will have no less than 90 days to review the inputs, assumptions, and calculations. In the event of an error or disagreement, the Company and Customer will work together in good faith to resolve such error or disagreement.

Termination for Default: Customers terminating service, as the result of an Event of Default under the terms of the Energy Service Agreement or this rate schedule prior to the end of the Initial Term may be subject to damages as set forth in the Energy Services Agreement.

FACILITY CHARGE

Customer-dedicated Facility Cost Recovery (“Facility Charge): A Facility Charge shall be based on the actual customer-dedicated facility costs incurred by the Company on behalf of the Customer and provide for full recovery of such costs and the associated operating and maintenance costs of the facility, as defined in the ESA. The amount and duration of the Facility Charge shall be determined by separate agreement between the Company and the Customer and included in the ESA.

Amended Filing

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 51

LARGE LOAD POWER SERVICE RATE

TERMS OF PAYMENT

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

The Customer and the Company will determine whether a new Customer qualifies for this rate schedule.

If the Customer's Maximum Demand falls below 10,000 kW in the current month and previous month after the Load Ramp Period, the Customer shall no longer be eligible for service under this rate schedule and shall be placed on Rate No. 04 – General Service Rate or Rate No. 09 – Large Power Service, as applicable, starting with the following billing month. After a minimum of twelve (12) months on the applicable rate schedule, should the Customer's Maximum Demand equal or exceed 10,000 kW in any two (2) consecutive months thereafter, the Customer shall be returned to Rate No. 51 – Large Load Power Service. The provisions of the ESA will continue to apply regardless of rate schedule that Customer is placed under.

Any new Customer that has not established a prior service history with the Company shall be classified under the appropriate rate schedule in accordance with a demand estimate performed by the Company.

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

Amended Filing

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 52

PEAK TIME REBATE PILOT

APPLICABILITY

This Peak Time Rebate ("PTRP") Credit provided by this rate schedule is applicable to bills for electric service provided under Rate No. 01 Residential Service Rate. Customers must have an existing Advanced Metering System meter installed to participate. To be eligible for a PTRP Credit, the customer must enroll for the consecutive months of May through October ("PTRP Season") during the pilot period and agree to receive PTRP notifications via the preferred communication method listed on the account.

TERRITORY

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

TYPE OF SERVICE

The reduction in energy use during Company-called PTRP events, relative to each Customer's baseline energy use, as determined by the Company, will be multiplied by the PTRP Credit rate to calculate the incentive credit presented on the monthly bill. Energy usage for all hours will be charged at the applicable Rate No. 01 rate.

MONTHLY RATES

PTRP Credit Rate, per kWh	See EPE's On-Peak Monthly Energy Payment Rate, filed pursuant to §17.9.570.11(B)(1)(a) NMAC, Rate No. 16 Purchased Power Service.

To receive the PTRP Credit, the Customer must reduce energy use during a PTRP Event. Such event will be a four-consecutive-hour window between the hours of 3:00 PM to 7:00 PM. Events will not be called on holidays. Holidays are New Year's Day on January 1; Memorial Day, the last Monday in May; Independence Day on July 4; Labor Day, the first Monday in September; Thanksgiving Day, the fourth Thursday in November; and Christmas Day on December 25. If a holiday falls on a Saturday, the preceding Friday will be designated the holiday. If a holiday falls on a Sunday, the following Monday will be designated the holiday.

Amended Filing

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 52

PEAK TIME REBATE PILOT

MONTHLY MINIMUM CHARGE

The PTRP Credit presented on the monthly bill shall be limited so that the Monthly Minimum Charge provision of Schedule No. 01 Residential Service Rate is followed.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices.

The Company initiates PTRP events with an event notification to participating Customers the day prior to the PTRP event. Participating Customers must choose at least one method for receipt of notification: email, text, or another available option. The Company will not call PTRP events for more than two consecutive days.

The Customer may unsubscribe from the PTRP event notifications at any time after the PTRP Season. If the Customer unsubscribes, they will receive credit only for those events for which they are enrolled and receive notifications.

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule are subject to proration adjustments.

Amended Filing

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION OF EL PASO ELECTRIC COMPANY FOR REVISION OF ITS RETAIL ELECTRIC RATES PURSUANT TO ADVICE NOTICE NO. 317	)))))	**Case No. 25-00082-UT**

DECLARATION OF GEORGE NOVELA IN SUPPORT OF THE FOREGOING AMENDED FILING DIRECT TESTIMONY

I, ***George Novela***, pursuant to Rule 1-011 NMRA, state as follows:

1. I affirm in writing under penalty of perjury under the laws of the State of New Mexico that the following statements are true and correct.

2. I am over 18 years of age and have personal knowledge of the facts stated herein. I am employed by El Paso Electric Company ("EPE" or "the Company") as the *Senior Director of Regulatory Policy and Rates.*

3. I have reviewed the foregoing Amended Filing Direct Testimony of George Novela, and the exhibits, schedules, and workpapers sponsored by me and I confirm, to the best of my knowledge, that those materials are complete, accurate, internally consistent, and consistent with the Amended Application.

4. The foregoing Amended Filing Direct Testimony of George Novela, together with all exhibits sponsored therein and attached thereto, is true and accurate based on my knowledge and belief.

5. I submit this Declaration, based upon my personal knowledge and upon information and belief, in support of EPE's ***Amended Application for Revisions of Its Retail Electric Rates Pursuant to Advice Notice No. 317.***

Amended Filing

FURTHER, DECLARANT SAYETH NAUGHT.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 6, 2026.

<u>/s/ George Novela</u>
GEORGE NOVELA