

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

SUPPLEMENTAL DIRECT TESTIMONY

OF

STEVEN A. SIERRA

ON BEHALF OF

EL PASO ELECTRIC COMPANY

MAY 7, 2026

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EXHIBITS

Exhibit SAS-1S - New Mexico Jurisdictionalized Amounts of Executive Compensation

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STEVEN A. SIERRA

I. INTRODUCTION AND QUALIFICATIONS

Q1. PLEASE STATE YOUR NAME, BUSINESS ADDRESS.

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

Q2. ON WHOSE BEHALF ARE YOU SUBMITTING THIS TESTIMONY

A. I am filing this testimony on behalf of El Paso Electric Company ("EPE" or "the
Company").

**Q3. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY IN THIS
PROCEEDING?**

A. Yes. I submitted Direct Testimony in this proceeding on March 27, 2026.

II. PURPOSE OF SUPPLEMENTAL DIRECT TESTIMONY

**Q4. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL DIRECT
TESTIMONY?**

A. The purpose of my Supplemental Direct Testimony is to respond to Pre-Hearing
Bench Request Paragraph 9.c.

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**III. SUPPLEMENTAL INFORMATION RESPONSIVE TO THE PRE-
HEARING BENCH REQUEST**

**Q5. WHAT HAS THE COMMISSION REQUESTED IN PARAGRAPH 9.c OF
THE PRE-HEARING BENCH REQUEST?**

A. Paragraph 9.c of the Pre-Hearing Bench Request requests “[t]he amounts of executive compensation, by position, that EPE seeks to recover in its cost of service.”

**Q6. IN RESPONSE TO PARAGRAPH 9.c., WHAT ARE THE AMOUNTS OF
EXECUTIVE COMPENSATION, BY POSITION, THAT EPE SEEKS TO
RECOVER IN ITS COST OF SERVICE.**

A. Exhibit SAS-1S provides the New Mexico jurisdictionalized amounts of executive compensation, by position, that EPE seeks to recover in its New Mexico cost of service. This includes annualized base salaries as of September 30, 2025, and a three-year average of non-financial short term incentive plan (STIP) amounts, after applying the three-year average payroll and three-year average STIP expense ratios, respectively.

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- 1 **Q7. DOES THIS CONCLUDE YOUR SUPPLEMENTAL DIRECT**
2 **TESTIMONY?**
3 **A. Yes.**

EL PASO ELECTRIC COMPANY
 2026 NEW MEXICO RATE CASE FILING
 EXHIBIT SAS-1S: PRE-HEARING BENCH REQUEST PARAGRAPH 9.c
 SPONSOR: STEVEN SIERRA
 PREPARER: STEVEN SIERRA
 FOR THE BASE AND TEST YEAR PERIODS ENDED SEPTEMBER 30, 2025

Exhibit SAS-1S
 Page 1 of 1

Line No.	(a) Executive Officer Title	(b) New Mexico Jurisdictional Base Salary at 9/30/2025	(c) 4% Pay Increase Amount (1)	(d) Annualized Salaries & Wages	(e) Three-Year Average Payroll Expense Ratio (2)	(f) Annualized EPE Salaries & Wages Expense, Excluding STIP Expense	(g) New Mexico Jurisdictional Three-Year Average Non- Financial Short Term Incentive Plan (for Executives)	(h) Three-Year Average STIP Expense Ratio (3)	(i) Annualized STIP Expense	(j) Total New Mexico Annualized Compensation Expense
1	President and Chief Executive Officer	\$ 199,836	\$ 7,993	\$ 207,829	58.67%	\$ 121,934	\$ 105,426	61.53%	\$ 64,869	\$ 186,802
2	Chief Financial Officer	63,281	2,531	65,813	58.67%	38,612	10,905	61.53%	6,710	45,322
3	Chief Technology Officer	68,149	2,726	70,875	58.67%	41,582	10,329	61.53%	6,356	47,938
4	Vice President - General Counsel and Corporate Secretary	68,832	2,753	71,586	58.67%	41,999	11,608	61.53%	7,143	49,142
5	Vice President - Customer and Regulatory Solutions	68,055	2,722	70,777	58.67%	41,525	11,401	61.53%	7,015	48,540
6	Vice President - System Planning and Operations Support	65,488	2,620	68,107	58.67%	39,959	11,596	61.53%	7,135	47,094
7	Vice President - Energy Supply and Distribution Operations	63,965	2,559	66,523	58.67%	39,029	9,951	61.53%	6,123	45,152
8	Vice President - Business Development	63,965	2,559	66,523	58.67%	39,029	10,189	61.53%	6,269	45,298
9	Vice President - Energy Delivery	62,171	2,487	64,658	58.67%	37,935	10,635	61.53%	6,543	44,478
10	Vice President - Controller	57,084	2,283	59,367	58.67%	34,831	8,721	61.53%	5,366	40,197
11	Treasurer	41,675	1,667	43,342	58.67%	25,429	2,439	61.53%	1,501	26,930
12	Total Base Salaries for Executives	<u>\$ 822,501</u>	<u>\$ 32,900</u>	<u>\$ 855,401</u>		<u>\$ 501,864</u>	<u>\$ 203,201</u>		<u>\$ 125,030</u>	<u>\$ 626,894</u>

(1) Pay Increase Percent agrees to WP A-03, Adjustment No. 3, Salaries and Wages - page 2, line 2, column (d).

The 4.0% non-union pay increase amount is discussed in the Direct Testimony of EPE Witness Sierra, pages 16-17.

(2) Three-year Payroll expense ratio as calculated in WP A-03, Adjustment No. 3, Salaries and Wages - page 3, line 12, column (d).

(3) Three-year Bonus expense ratio as calculated in WP A-03, Adjustment No. 3, Salaries and Wages - page 3, line 8, column (d).

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**DECLARATION OF STEVEN A. SIERRA IN SUPPORT OF THE FOREGOING
AMENDED FILING DIRECT TESTIMONY**

I, ***Steven A. Sierra***, 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 *Director of Financial Accounting*.

3. I have reviewed the foregoing Amended Filing Supplemental Testimony of Steven A. Sierra, 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 Supplemental Testimony of Steven A. Sierra, 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***.

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FURTHER, DECLARANT SAYETH NAUGHT.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 6, 2026.

/s/ Steven A. Sierra
STEVEN A. SIERRA