



NOTICE TO EPE CUSTOMERS

On May 1, 2026, El Paso Electric Company (“EPE”) filed its annual renewable energy application with the New Mexico Public Regulation Commission, requesting approval of EPE’s Renewable Energy Act Plan for 2027, and Tenth Revised Rate No. 38 – RPS Cost Rider.

NO ACTION IS REQUIRED ON YOUR PART UNLESS YOU WANT TO BECOME A PARTY OR COMMENT ON THE APPLICATION

EPE’s Application requests that the New Mexico Public Regulation Commission grant the following approvals:

- approval of EPE’s Renewable Energy Act Plan for 2027
- approval of EPE’s proposal to dedicate the remaining 100 MWs of the Battery Energy Storage System (“BESS”) component of the Santa Teresa Project to New Mexico and to recover the fixed capacity costs associated with the 100 MW Santa Teresa Project BESS through EPE’s Renewable Portfolio Standard (“RPS”) Cost Rider until EPE’s next general rate case, resulting in a Levelized Cost of Energy for the full Santa Teresa Project that is \$2.53/MWh above the inflation adjusted Reasonable Cost Threshold.
- approval of EPE’s proposed changes to the cost recovery method including:
 - authorization to move recovery of energy costs associated with Commission approved Purchased Power Agreements out of the RPS Cost Rider and to recover those costs through EPE’s Fuel and Purchased Power Cost Adjustment Clause;
 - authorization to continue using the RPS Cost Rider for recovery of non-energy costs associated with WREGIS fees and Commission approved energy storage agreements that are not included in base rates, and trailing reconciliation costs;
 - approval of reconciled RPS rider costs and rider revenue collections for calendar year 2025;
 - approval to revise the RPS Cost Rider Rate No. 38 monthly rate from \$0.020215 per kilowatt-hour (“kWh”) to \$0.014572 per kWh, to recover approved 2027

Plan Year non-energy costs adjusted for the 2025 reconciliation. This new rate is for all applicable retail customers served by EPE and represents a decrease of 27.9 percent from the current RPS Cost Rider of \$0.020215 (All applicable Retail Rate Schedules).

In addition, to the extent such approval may be required, EPE requests:

- approval of a variance from the data filing requirements of 17.9.530 NMAC; and such other approvals, authorizations and actions required under the REA, Rule 17.9.572 NMAC, and Commission rules and orders to implement the Plan and revisions to the RPS Cost Rider.

The following Table shows typical bill impacts resulting from the decrease in the RPS Rider for the Residential rate class. These impacts are subject to change by the Commission based upon its findings in this case.

Residential Typical Bill Comparison by kWh Level (Summer)									
kWh	Current Base & Fuel Rates			Proposed Base & Fuel Rates			Percent Impact		
	Base Plus Fuel	RPS Rider	Total	Base Plus Fuel	RPS Rider	Total	Base Plus Fuel	RPS Rider	Total
0	\$ 7.00	\$ -	\$ 7.00	\$ 7.00	\$ -	\$ 7.00	0%	0%	0%
100	\$ 14.02	\$ 2.02	\$ 16.04	\$ 14.02	\$ 1.46	\$ 15.48	0%	-27.7%	-3.5%
250	\$ 24.53	\$ 5.05	\$ 29.58	\$ 24.53	\$ 3.64	\$ 28.17	0%	-27.9%	-4.8%
500	\$ 42.06	\$ 10.11	\$ 52.17	\$ 42.06	\$ 7.29	\$ 49.35	0%	-27.9%	-5.4%
750	\$ 65.33	\$ 15.16	\$ 80.49	\$ 65.33	\$ 10.93	\$ 76.26	0%	-27.9%	-5.3%
1000	\$ 92.46	\$ 20.22	\$ 112.68	\$ 92.46	\$ 14.57	\$ 107.03	0%	-27.9%	-5.0%
2000	\$ 200.98	\$ 40.43	\$ 241.41	\$ 200.98	\$ 29.14	\$ 230.12	0%	-27.9%	-4.7%
Residential Typical Bill Comparison by kWh Level (Winter)									
kWh	Current Base & Fuel Rates			Proposed Base & Fuel Rates			Percent Impact		
	Base Plus Fuel	RPS Rider	Total	Base Plus Fuel	RPS Rider	Total	Base Plus Fuel	RPS Rider	Total
0	\$ 7.00	\$ -	\$ 7.00	\$ 7.00	\$ -	\$ 7.00	0%	0%	0%
100	\$ 12.80	\$ 2.02	\$ 14.82	\$ 12.80	\$ 1.46	\$ 14.26	0%	-27.8%	-3.8%
250	\$ 21.48	\$ 5.05	\$ 26.53	\$ 21.48	\$ 3.64	\$ 25.12	0%	-28.0%	-5.3%
500	\$ 35.96	\$ 10.11	\$ 46.07	\$ 35.96	\$ 7.29	\$ 43.25	0%	-27.9%	-6.1%
750	\$ 50.43	\$ 15.16	\$ 65.59	\$ 50.43	\$ 10.93	\$ 61.36	0%	-27.9%	-6.5%
1000	\$ 64.91	\$ 20.22	\$ 85.13	\$ 64.91	\$ 14.57	\$ 79.48	0%	-27.9%	-6.6%
2000	\$ 122.83	\$ 40.43	\$ 163.26	\$ 122.83	\$ 29.14	\$ 151.97	0%	-27.9%	-6.9%

EPE's complete Application and supporting documents are accessible online on EPE's website, <https://www.epelectric.com/company/public-notice> and the Commission's PRCe360 Case Management System <https://e360.prc.nm.gov/portal/public/#/public/nm-prc/en/home> under Docket Number 26-0000093. The Application is also available at the offices of El Paso Electric, 2820 Las Vegas Ct., Las Cruces, NM 88007, Contact Ricardo F. Gonzales, Reg. VP – Government Affairs – NM.

The major events for public participation in this matter will occur as follows:

- Protest Deadline: May 31, 2026; timely if filed by Monday June 1, 2026.
- Deadline to file motions to intervene to become a party: June 10, 2026
- Deadline to file intervenors' direct testimony: June 22, 2026
- Deadline to file rebuttal testimony: July 10, 2026
- Public Evidentiary Hearing: July 27 – July 28, 2026

PUBLIC HEARING

A public hearing to hear and receive testimony, exhibits, and legal arguments about the application is set for **July 27 – July 28, 2026, commencing at 9:00 am each day**. The hearing will be conducted online and can be viewed via livestream on the Commission's YouTube channel and its website, <https://www.prc.nm.gov/public-hearings/>. Please contact the Commission for confirmation of the hearing because hearings are occasionally cancelled or rescheduled.

PUBLIC COMMENT

People who are not associated with a party to this case may make written or oral comment as allowed by Rule 1.2.2.23(F) NMAC. Written comments must refer to Docket Number 26-0000093 and be submitted before the Commission makes a final decision. Written comments should be submitted online through the PRCe360 Case Management System. Comments can also be sent via US mail to PRC Records P.O. Box 1269, Santa Fe, NM 87504.

Alternatively, oral public comment is also welcome during Commission open meetings. The open meeting schedule can be found at www.prc.nm.gov/nmprc-open-meeting-agenda/. Email public.comment@prc.nm.gov or call (505) 490-7910 to sign up to comment online or by phone at an open meeting. If the Commission determines a separate hearing should be set for oral comments for this matter, the date, time, and location will be announced on the Commission's website, <https://www.prc.nm.gov/>.

Instructions to submit written public comment online, to file pleadings and other documents, and to search Commission dockets are found at <https://www.prc.nm.gov/prce360/>. All filings subject to deadlines must be submitted within regular business hours of the due date to be considered timely filed.

TO BECOME A PARTY

If you wish to appear in this case as a party, you must file a motion for leave to intervene, pursuant to 1.2.2.23 NMAC, on or before **June 10, 2026**. Intervenors must become familiar with the rules regarding practicing before the Commission and all other applicable rules.

The Commission's Rules of Procedure 1.2.2 NMAC apply except as modified by order of the Commission or hearing examiners. These and other rules are available online at <https://srca.nm.gov/nmac-home/nmac-titles/>.

THE DEADLINES GIVEN ABOVE ARE NOT ALL THE DEADLINES SET FORTH IN THIS MATTER, AND PARTIES AND POTENTIAL INTERVENORS ARE ADVISED TO READ THE COMPLETE PROCEDURAL ORDER ISSUED ON **May 19, 2026**, FOUND ON THE PRCe360 CASE MANAGEMENT SYSTEM.

PEOPLE WITH DISABILITIES WHO, IN ORDER TO ATTEND OR PARTICIPATE IN THE HEARING, REQUIRE A READER, AMPLIFIER, QUALIFIED SIGN LANGUAGE INTERPRETER, OR ANY OTHER FORM OF AUXILIARY AID OR SERVICE OR OTHER TYPE OF ACCESSIBLE FORMAT OF PUBLIC DOCUMENTS, MUST CONTACT THE DIRECTOR OF ADMINISTRATIVE SERVICES OF THE COMMISSION AT (505) 827-8019 FOR THOSE ARRANGEMENTS AS SOON AS POSSIBLE PRIOR TO THE HEARING.

Any person who desires more information about this case may contact the Commission by phone at (505) 827-4084 or 1-888-427-5772 or by email at Ryan.Jimenez@prc.nm.gov.