

EL PASO ELECTRIC COMPANY

SCHEDULE NO. 98-FIRS
FUEL INTERIM (REFUND) / SURCHARGE**APPLICABILITY**

This (refund) / surcharge is applicable to the rate schedules listed below.

TERRITORY

Texas service area.

MONTHLY RATE

A (refund)/surcharge, to be calculated for each customer using the per kWh factor or directly assigned amount (A) shown below, will be added as a separate line item to the customer's Monthly Bill titled "Fuel (Refund) / Surcharge". The (refund)/surcharge will continue for a period of eighteen (18) months.

Rate No.	Rate Schedule	Voltage Level		Total	Factor \$/kWh or \$/Mo.
01	Residential Service	S		(\$17,843,722)	0.005441
WH	Water Heating	S		(37,535)	0.004640
02	Small General Service	S		(2,138,761)	0.005469
07	Outdoor Recreational Lighting	S		(22,724)	0.002626
07	Outdoor Recreational Lighting	P		86	(0.000670)
08	Governmental Street Lighting	S		(253,503)	0.004629
09	Traffic Signals	S		(19,103)	0.004705
11TU	Municipal Pumping Service- TOU	S		(977,976)	0.005121
11TU	Municipal Pumping Service- TOU	P		(331,310)	0.004356
15	Electrolytic Refining Service	T	(A)	(258,932)	14,385
22	Irrigation Service	S		(41,050)	0.006080
24	General Service	S		(10,156,351)	0.004580
24	General Service	P		(239,112)	0.004846
25	Large Power Service	S		(2,550,133)	0.003804
25	Large Power Service	P		(1,552,154)	0.005850
25	Large Power Service	T	(A)	(84,967)	4,720
26	Petroleum Refinery Service	T	(A)	(2,284,546)	126,919
28	Area Lighting Service	S		(187,325)	0.004541
30	Electric Furnace Service 69kV	T	(A)	(56,493)	3,138
30	Electric Furnace Service 115kV	T	(A)	(82,428)	4,579
31	Military Reservation Service	T	(A)	(1,987,816)	110,434
34	Cotton Gin Service – GS	S	(A)	(16,517)	918
34	Cotton Gin Service – SC	S	(A)	4	0
38	Interruptible Service – Large Power	P		(365,013)	0.006126
38	Interruptible Service – 15	T	(A)	(190,508)	10,584
38	Interruptible Service – 25	T	(A)	(145,175)	8,065
38	Interruptible Service – 26	T	(A)	(678,029)	37,668
38	Interruptible Service – 30	T	(A)	(984,164)	54,676
38	Interruptible Service – 31	T	(A)	(256,296)	14,239
41	City & County Service	S		(1,323,013)	0.004013
41	City & County Service	P		(173,018)	0.004195
EVC	Electric Vehicle Charging	S		(345)	0.005192

Note: (A) Directly Assigned. (S) Secondary Voltage. (P) Primary Voltage. (T) Transmission Voltage.

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Sheet Number 31.1
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Revision Number 0
Effective with bills issued on or after the first billing cycle in October 2021

EL PASO ELECTRIC COMPANY

**FUEL INTERIM (REFUND) / SURCHARGE
FREQUENTLY ASKED QUESTIONS**

Q. DID EL PASO ELECTRIC (“EPE”) INFORM THE PUBLIC OF THIS SURCHARGE?

A. Yes. EPE published notice in local newspapers beginning September 15, 2021 to inform customers of EPE’s filing with the Public Utility Commission of Texas (“PUCT” or “Commission”) for a surcharge related to fuel charge under-collections over the period April 2019 through July 2021.

Q. WHEN DID EPE MAKE ITS FILING WITH THE PUCT?

A. EPE filed its petition with the PUCT on September 15, 2021.

Q. WHY IS EPE ASSESSING THIS SURCHARGE?

A. EPE’s current fuel factor has not covered EPE’s cost for fuel to run our power plants. EPE tracks what we charge for fuel against what we actually pay for fuel, if the amount EPE collects is significantly over or under what EPE paid EPE reconciles the difference. This reconciliation is done either by a fuel refund or a fuel surcharge. At this time EPE has paid more for fuel than it has collected, therefore EPE is assessing a surcharge to true up what we collect to what we paid.

Q. IS EPE PLANNING TO REVISE ITS TEXAS FUEL FACTORS?

A. Yes. EPE expects to file in the very near future a request that revises its currently authorized fuel factors to more accurately match what EPE collects for fuel to what we pay for fuel.

Q. ARE EPE’S BASE RATES AFFECTED BY THIS FILING?

A. No. None of EPE’s base rates will be affected by the surcharge.

Q. WHAT ARE THE DIFFERENT TYPES OF FUEL EPE USES TO GENERATE POWER?

A. EPE generates approximately 42 percent of its energy from natural gas, 44 percent from low-cost nuclear fuel and the remaining 14 percent from solar resources and power purchases.

Q. WILL ALL CUSTOMER CLASSES BE RECEIVING A FUEL SURCHARGE?

A. Yes. All of EPE’s customer classes will be receiving a surcharge.

Q. OVER WHAT PERIOD OF TIME WILL THE SURCHARGE BE IN EFFECT, AND WHY HAS EPE WAITED UNTIL NOW?

A. EPE has requested the surcharge be effective over the 18-month period October 2021 through March 2023. The Company requested an 18-month surcharge to minimize the impact of the surcharge on a customer’s monthly bill.

Q. HOW MUCH OF A SURCHARGE CAN THE TYPICAL RESIDENTIAL CUSTOMER USING 686 kWh MONTHLY EXPECT TO SEE ON THEIR BILL?

A. The bill impact over the 18-month surcharge period (October 2021 through March 2023) on a typical residential customer using 686 kWh monthly would be a surcharge of \$3.42 per month, an increase of 4.28%.

Q. DOES THE PUCT NEED TO APPROVE THE SURCHARGE FILING?

A. Yes. The PUCT has jurisdiction over all fuel surcharge filings.