

EL PASO ELECTRIC COMPANY

SCHEDULE NO. RCES

RATE CASE EXPENSE SURCHARGE

APPLICABILITY

This Rate Case Expense Surcharge is applicable to customers taking service under the rate schedules listed below as either a \$/kWh factor applied to billed energy or as a directly assigned amount.

TERRITORY

Texas service area.

MONTHLY CHARGE

Pursuant to the Final Order in Docket No. 46831, the Company is authorized to surcharge customers to recover the rate case expenses pursuant to the docket. The surcharge is calculated for each rate class below as either a \$/kWh factor applied to billed energy or as a directly assigned amount. The surcharge shall appear as a separate line item on the customer's monthly bill titled "Rate Case Expense Surcharge." The surcharge shall continue for a period of thirty-six (36) months from the effective date of this schedule of January 10, 2018, provided that the Company shall cease billing the surcharge in the month that the total approved amount has been collected. Upon cessation of billing, the amount of any over-recovery or under-recovery of the approved rate case expense surcharge amounts by rate class shall be included in the deferred fuel balance for that class as a refund or surcharge. Customers entering the Company's system during the surcharge period will receive the surcharge in billings from their entry date. Customers leaving the Company's system during the surcharge period will receive the surcharge through their exit date.

<u>Rate</u>	<u>Rate Schedule</u>	<u>Voltage Level *</u>	<u>Annual Surcharge</u>	<u>Surcharge Factor (\$/kWh) or Monthly Rate (\$)</u>
01	Residential Service	S	\$ 670,505	0.00032
02	Small General Service	S	93,553	0.00034
07	Outdoor Recreational Lighting Service	S/P	1,664	0.00031
08	Governmental Street Lighting Service	S	11,489	0.00035
09	Governmental Traffic Signal Service	S	285	0.00011
11TU	Municipal Pumping Service - TOU	S/P	29,242	0.00018
15	Electrolytic Refining Service	T (A)	7,131	594.23
WH	Water Heating Service	S	2,401	0.00028
22	Irrigation Service	S	1,918	0.00038
24	General Service	S/P	375,380	0.00024
25	Large Power Service	S/P	121,755	0.00018
25	Large Power Service	T (A)	1,293	107.76
26	Petroleum Refinery Service	T (A)	36,853	3,071.09
28	Area Lighting Service Rate	S	8,449	0.00031
30	Electric Furnace Service	T (A)	4,010	334.21
31	Military Reservation Service	T (A)	39,032	3,252.67
34	Cotton Gin Service (Sm Gen Svc Customer)	S/P (A)	24	1.97
34	Cotton Gin Service (Gen Svc Customer)	S/P (A)	331	27.60
38	Interruptible Service	S/P	1,684	0.00004
38	Interruptible Service – Rate 15	T (A)	596	49.64
38	Interruptible Service – Rate 25 Transmission	T (A)	722	60.19
38	Interruptible Service – Rate 26	T (A)	2,035	169.56
38	Interruptible Service - Rate 30	T (A)	5,593	466.09
38	Interruptible Service - Rate 31	T (A)	1,545	128.74
41	City & County Service	S/P	85,363	0.00029
Total Annual Surcharge			<u>\$ 1,502,853</u>	

Total Rate Case Expenses to be Recovered over 36 months: \$ 4,508,559

(A) Directly assigned to customer

* Voltage Levels: S = Secondary, P = Primary, and T = Transmission