

EL PASO ELECTRIC COMPANY

SCHEDULE NO. 94
SUPPLEMENTAL FRANCHISE SURCHARGE

APPLICABILITY

Electric service and fees billed under the Company's rate schedules within the City of El Paso and subject to a Franchise Fee charged by the City of El Paso, where the currently Applicable Franchise Fee is greater than the Effective Franchise Fee, as approved and in effect at the time of the Company's most recent base rate change, shall be subject to a Supplemental Franchise Surcharge.

TERRITORY

Municipal limits of the City of El Paso, Texas

MONTHLY RATE ADJUSTMENT

The Supplemental Franchise Surcharge is billed as a percentage of the total monthly electric service bill, before sales and other use taxes, with the percentage calculated as the currently applicable Franchise Fee Rate less the legacy Franchise Fee Rate, using the formula:

SFS = (AFR + GUF) – LFR, where:

SFS = Supplemental Franchise Surcharge (%)
AFR = Applicable Franchise Fee Rate (%)
GUF = Gross Up Factor (%)
LFR = Legacy Franchise Fee Rate (%)

The AFR is being amended pursuant to agreement with the City of El Paso to 5% and to 5.75% for broadband over powerline (BPL) services. The LFR currently approved and in effect at the time of the Company's most recent general rate proceeding and at the time of this original tariff is 4.00% and 4.75% for BPL services. Contingent upon the agreement being approved, the SFS is 1% plus the GUF of 0.0771% to account for fees and taxes applied to the SFS.

EXCEPTIONS

Electric service subject to a Franchise Fee does not include City of El Paso service accounts.

EFFECTIVE DATE

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Effective with bills issued on or after the
first billing cycle in October 2018

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The later of May 1, 2018, or the first day of the calendar quarter that occurs thirty days following the date this tariff becomes final and non-appealable.

TERMS OF PAYMENT

The due date of the bill for utility service shall not be less than sixteen (16) days after issuance. A bill becomes delinquent if not received at the Company by the due date.

TERMS AND CONDITIONS

The Company's Rules and Regulations apply to service under this rate schedule.

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