

EL PASO ELECTRIC COMPANY

**SCHEDULE NO. MRCF MERGER RATE CREDIT FACTOR**

**APPLICABILITY**

This Merger Rate Credit Factor ("MRCF") is applicable to all customers taking service under a retail rate schedule.

In compliance with the Settlement Agreement and Final Order in Docket No. 49849, El Paso Electric Company (EPE) will issue a merger rate credit to customers of \$21 million over a 36-month period based on a commitment in the merger agreement between EPE and Sun Jupiter Holdings LLC ("Sun Jupiter").

Customers entering the Company's system during the refund period will receive the rate credit in billings from their entry date. Customers leaving the Company's system during the rate credit period will receive the credit through their exit date within the timeframe allocated in this schedule.

**TERRITORY**

Texas service area.

**TERM**

The Merger Rate Credit Factor will be reflected on customer bills over a period of 36 months.

**MONTHLY RATE FACTOR**

The MRCF is calculated as a kilowatt hour (kWh) credit factor multiplied by the billed energy component of the customer bill. The resulting merger rate credit amount will appear as a separate line item on the customer monthly bill and shall be titled "Merger Rate Credit".

| <b><u>Rate No.</u></b> | <b><u>Description</u></b>             | <b><u>MRCF (\$/kWh)</u></b> |
|------------------------|---------------------------------------|-----------------------------|
| R01                    | Residential Service                   | - 0.00138                   |
| R02                    | Small General Service                 | - 0.00142                   |
| R07                    | Outdoor Recreational Lighting Service | - 0.00139                   |
| R08                    | Governmental Street Lighting Service  | - 0.00144                   |
| R09                    | Governmental Traffic Signal Service   | - 0.00046                   |
| R11TU                  | Municipal Pumping Service – TOU       | - 0.00082                   |
| R15                    | Electrolytic Refining Service         | - 0.00057                   |
| RWH                    | Water Heating Service                 | - 0.00097                   |
| R22                    | Irrigation Service                    | - 0.00127                   |
| R24                    | General Service                       | - 0.00109                   |
| R25                    | Large Power Service                   | - 0.00076                   |
| R26                    | Petroleum Refinery Service            | - 0.00044                   |
| R28                    | Area Lighting Service Rate            | - 0.00129                   |
| R30                    | Electric Furnace Service              | - 0.00071                   |
| R31                    | Military Reservation Service          | - 0.00066                   |
| R34                    | Cotton Gin Service                    | - 0.00103                   |
| R38                    | Interruptible Service                 | - 0.00014                   |
| R41                    | City & County Service                 | - 0.00118                   |

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Effective with bills issued on or after the latter of August 1, 2020 or the first full billing cycle after the closing of the transaction that was the subject of PUCT Docket No. 49849 between El Paso Electric and Sun Jupiter Holdings, LLC.