APPLICABILITY

This rate schedule is available for electric service used in single-family residences or individually metered apartments for primarily domestic or home use, and other non-commercial uses located on the same property and used in connection with the main residence.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will normally be 120/240 volt, single phase, taken at a single point of delivery designated by the Company and at one of the Company's standard types of service. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

Single-phase or three phase motor operation is permitted under this service when the size of individual motors does not exceed 5 or 10 horsepower (HP). Without the written approval of the Company, single or three-phase motors in total shall not exceed 5 or 10 HP capacity, respectively.

MONTHLY RATES

STANDARD SERVICE RATE

<table>
<thead>
<tr>
<th>Energy Charge Per kWh</th>
<th>Summer (May through October)</th>
<th>Non-Summer (November through April)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summer: 0 - 600 kWh</td>
<td>$0.10203</td>
<td>$0.09171</td>
</tr>
<tr>
<td>Summer: All Other kWh</td>
<td>$0.10719</td>
<td>$0.09171</td>
</tr>
<tr>
<td>Non-Summer All kWh</td>
<td>$0.09171</td>
<td>$0.09171</td>
</tr>
</tbody>
</table>

ALTERNATIVE TIME-OF-DAY (TOD) RATE

Customer Charge (per meter per month) $9.25
EL PASO ELECTRIC COMPANY
SCHEDULE NO. 01
RESIDENTIAL SERVICE RATE

<table>
<thead>
<tr>
<th>Energy Charge Per kWh</th>
<th>Summer (June through September)</th>
<th>Non-Summer (October through May)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-Peak Period</td>
<td>$0.23975</td>
<td>$0.09171</td>
</tr>
<tr>
<td>Off-Peak Period</td>
<td>$0.07001</td>
<td>$0.09171</td>
</tr>
</tbody>
</table>

The On-Peak Period shall be from 12:00 P.M. through 6:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-Peak Period for the Non-Summer months.

The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers that are energy metered, the net energy metering provision will be applied by TOD period for the billing cycle.

The Customer that elects to take service under the Alternative Time-Of-Day (TOD) Monthly Rate, must do so for a minimum of twelve (12) months. For the first 500 customers that have enrolled since July 18, 2017, if at the conclusion of that initial twelve (12) month period of service under the Alternate TOD rate, the total billings for the 12-month period exceed billings for the same period under the Standard Service rate, the Customer may opt to revert to the Standard Service rate. In this event, the Company will reset the Customer’s account to the Standard Service rate and credit the Customer for the difference in billings under the Alternative TOD rate and the Standard Service Rate for the 12-month review period.

DEMAND CHARGE TIME-OF-DAY (TOD) RATE

<table>
<thead>
<tr>
<th>Energy and Demand Charges</th>
<th>Summer (June through September)</th>
<th>Non-Summer (October through May)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand Charge per kWh</td>
<td>$3.37</td>
<td>$3.37</td>
</tr>
<tr>
<td>On-Peak Period per kWh</td>
<td>$0.22745</td>
<td>$0.05927</td>
</tr>
<tr>
<td>Off-Peak Period per kWh</td>
<td>$0.05771</td>
<td>$0.05927</td>
</tr>
</tbody>
</table>

The On-Peak Period shall be from 12:00 P.M. through 6:00 P.M., Mountain Daylight Time, Monday through Friday, for the Summer months. There is no On-peak Period for the Non-Summer months.

The Off-Peak Period shall be all other hours not covered in the On-Peak Period. For Distributed Generation (DG) customers, the net energy metering provision will be applied by TOD period for the billing cycle.
The Customer that elects to take service under the Experimental Demand Charge Time-Of-Day Rate, must do so for a minimum of twelve (12) months.

The Company will limit initial participation in the Experimental Demand Charge Time-Of-Day Rate to 500 DG customers.

**Determination of Billing Demand – Demand Charge Time-Of-Day (TOD) Rate**

Maximum demand is defined as the highest measured sixty (60) minute interval kilowatt (kW) load during the billing period. Monthly billing demand will be the maximum demand.

**MONTHLY MINIMUM CHARGE**

The Customer Charge, Other Applicable Riders, and Tax Adjustment is the monthly minimum charge for 1) non-DG customers and 2) grandfathered DG customers. The following minimum bill amount will be applicable for all new DG Customers for each billing cycle starting the first full billing month after interconnection where the sum of the base rate charges is less than the specified minimum bill:

1. $30.25 for DG Customers choosing the Standard Service Monthly Rate;
2. $26.75 for DG Customers choosing the Alternative Time-Of-Day (TOD) Monthly Rate; or
3. No minimum bill provision is applicable to DG Customers electing to take service under the Experimental Demand Charge Time-Of-Day Rate, other than the Customer Charge.

Grandfathering: DG Customers who have submitted and have had accepted by EPE an application for interconnection prior to December 17, 2017, will be considered grandfathered and will not be subject to the Minimum Bill provision at their current residence for a grandfathering term of 20 years from the date of interconnection of that DG installation. Should the original interconnection customer move or sell the premises at which the DG system is installed, then the grandfathering will continue to apply to that DG system for subsequent owners for the remainder of the grandfathering term for those premises where the original DG was installed. In addition, if a customer whose facility is subject to being grandfathered removes the entire DG system and relocates some or all of the facility to new premises; the grandfathering will continue to apply to that DG system at a new single location, subject to confirmation by the Company.
Grandfathered customers are subject to the same charges under the Standard Service and TOD Rate options, including the monthly Customer Charge, applicable to non-DG customers.

**OFF-PEAK WATER HEATING RIDER**

This rider is closed to all new service applications.

This rider is available for domestic electric water heating service (swimming pool water heating, and water heating utilized for space heating excluded). The service shall be metered on a circuit which shall include only water heating elements and exclude all other services.

Periods of electric supply service may be scheduled to conform to off-peak conditions of the Company's system. The Company reserves the right to change the off-peak period of supply to meet the changing off-peak conditions of its system. The Company, at its option, will furnish and connect to the Customer's wiring and retain ownership of a time switch or suitable device to regulate the hours of use.

Service under this rider shall be limited to water heaters of thirty (30) gallons or more capacity. All water heaters will be controlled by a thermostat and if two or more heating elements are used, the water heater will be wired so that only one element will operate at one time. The minimum wattage of all heating elements shall total not less than 3,000 watts. Service may be limited where the Customer has an abnormally large connected load, and is only available as a secondary service in conjunction with a main service.

**MONTHLY RATE – OFF-PEAK WATER HEATING**

<table>
<thead>
<tr>
<th>Customer Charge (per meter per month)</th>
<th>$3.56</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Energy Charge Per kWh</th>
<th>Summer (June through September)</th>
<th>Non-Summer (October through May)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All kWh</td>
<td>$0.10046</td>
<td>$0.08546</td>
</tr>
</tbody>
</table>

**MINIMUM CHARGE – OFF-PEAK WATER HEATING**

The monthly minimum charge is the Customer Charge, Other Applicable Riders, and Tax Adjustment.
LOW INCOME RIDER

Upon qualification under the below defined Low Income Rider ("LIR") criteria, the Customer Charge will not be applicable to the Residential Customer's monthly billing. All other provisions of this rate schedule remain unchanged.

1. The LIR is available to qualified residential customers identified by the Texas Health and Human Services Commission ("HHSC") client database as authorized to receive Supplemental Nutrition Assistance Program ("SNAP") benefits for a period of time pursuant to the eligibility and assistance requirements of the SNAP program.

2. On a monthly basis, the Company will compare the names and addresses in its Texas residential customer database with those in the HHSC client database. The HHSC client must be the Company customer of record or an authorized individual on the account. All matching customers will be certified to receive the LIR through the time period in which they are authorized for SNAP assistance, or for twelve (12) months, whichever is less. However, a Customer's eligibility for the LIR will terminate if the Customer is removed from the HHSC database when HHSC annually purges its client database and removes the client, or if the Customer changes his or her service address and the address no longer matches the HHSC database. The Company may extend the LIR to a Customer when the Customer's SNAP assistance is re-authorized or extended by HHSC for an additional period of time.

3. The LIR is also available to qualified residential customers identified by a Company-recognized public assistance agency ("Agency") operating in El Paso, Hudspeth, and Culberson counties as meeting the Agency's assistance requirements. The Agency or the Customer must provide the Company documentation of Agency eligibility. Qualifying Customers will receive the LIR for the authorized assistance time period or, if the Agency does not state an authorized time period, for twelve (12) months. The Company may extend the LIR to a Customer when the Customer is re-authorized or extended by the Agency for an additional period of time.

FIXED FUEL FACTOR

Service under this rate schedule is subject to the provisions of the Company's Rate Schedule No. 98 (Fixed Fuel Factor).

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to...
EL PASO ELECTRIC COMPANY

SCHEDULE NO. 01

RESIDENTIAL SERVICE RATE

the provisions of those riders.

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. If the due date falls on a holiday or weekend, the next Company business day shall apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the Public Utility Commission of Texas and available for inspection at Company offices.

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

APPLICATION OF RESIDENTIAL SERVICE RATE

This rate schedule is available only under the following conditions:

1. For a single household or single family for primarily domestic purposes in individual private residences, individually metered apartments, or non-commercial uses located on the same property and used in conjunction with and as an extension from the main residence.

2. For separately metered living quarters recognized as single-family living quarters for domestic home use.

3. Without the written approval of the Company, single or three phase motors in total shall not exceed 5 or 10 HP capacity, respectively. The use of all single or three-phase motors over 5 HP must be approved by the Company concerning the motor's lock rotor amperes.

4. If three-phase service is supplied, sizes and other loads will be subject to Company approval. Three-phase service is only available from existing lines at the service location or if the Company determines it is economically feasible to bring the service to the location.

5. Wiring may be extended from the residence circuit to private garages, barns and similar
structures and/or wells which are located on the same property as the residence and used exclusively for domestic purposes in connection with the residence.

6. For residences where rooms are rented or meals are served to boarders if these uses are incidental to the maintenance of a private residence, are permitted.

This rate is not available under the following conditions:

1. If a separate meter and service are provided for non-residential service, including but not limited to, garages, barns and similar structures, and/or water wells and swimming pools, even though their use may be in connection with the residence.

2. When it is evident, either visually and/or electrically, that activity of a business or professional character is being conducted in the residence. Service will be supplied under the appropriate non-residential service rate, but the portion used as living quarters may be wired and metered separately and served on the Residential Service Rate.

3. When service in the primary residence is resold or shared with one or more other family residences. For example, a garage apartment or separate living quarters connected to the main residence electric service, or a duplex with one meter are not eligible for service under this rate schedule. The additional residence or separate living quarters may be placed on the residential rate if local zoning ordinances permit such use and the additional residence is served and metered separately.

4. When the Customer operates devices which cause undue fluctuation of voltage. Service may be limited at the Company's discretion when the Customer has an abnormally large connected load or kW demand.

5. For a recognized or accepted boarding or rooming house, multiple trailers, individual hotel or motel rooms, commercial, professional, or business establishments and the like, all of which shall be served under another applicable commercial rate schedule.

6. Electric service provided under this rate schedule shall not be shared or available for resale purposes.