

**SOAH DOCKET NO. 473-15-5257
PUC DOCKET NO. 44941**

APPLICATION OF EL PASO	§	BEFORE THE STATE OFFICE
ELECTRIC COMPANY TO CHANGE	§	OF
RATES	§	ADMINISTRATIVE HEARINGS

**SOAH DOCKET NO. 473-16-1685
PUC DOCKET NO. 45475**

REVIEW OF RATE CASE EXPENSES	§	BEFORE THE STATE OFFICE
INCURRED BY EL PASO ELECTRIC	§	OF
COMPANY AND MUNICIPALITIES IN	§	ADMINISTRATIVE HEARINGS
DOCKET NO. 44941	§	

**JOINT MOTION TO IMPLEMENT UNCONTESTED AMENDED AND RESTATED
STIPULATION AND AGREEMENT**

The parties to these proceedings either support or do not oppose the resolution of these proceedings in accordance with the Amended and Restated Stipulation and Agreement (Amended and Restated Agreement), which is attached as Exhibit A. The Amended and Restated Agreement settles all issues in these proceedings and is uncontested. In order to implement this settlement, the signatories to the Amended and Restated Agreement (Signatories), who are also the parties to this Motion, respectfully move that the Administrative Law Judges (ALJs) grant the requests listed below.

I. SUMMARY OF REQUESTS

The parties to this Motion respectfully request that the ALJs:

1. Consolidate into the Docket No. 44941 rate case the pending proceeding for the review and recovery of EPE's and its municipalities' rate case expenses, Docket No. 45475, *Review of Rate Case Expenses Incurred by El Paso Electric Company and Municipalities in Docket No. 44941*.
2. Admit into evidence the documents identified below in Section V.
3. Dismiss the consolidated docket from SOAH's docket and return the case to the Commission for ultimate disposition.

II. THE PARTIES TO THIS MOTION AND THE AMENDED AND RESTATED AGREEMENT

The parties to this Motion are all the parties to this case except Rockney Bacchus. While Mr. Bacchus will not sign the Amended and Restated Agreement, he does not oppose it. Thus, the Amended and Restated Agreement is uncontested. The table below identifies the parties to this Motion and the Signatories as well as the non-opposing party:

Signatories to Amended and Restated Agreement	Party Not Opposing the Amended and Restated Agreement
EPE	Rockney Bacchus
Staff of Public Utility Commission	
City of El Paso	
Texas Industrial Energy Consumers	
State of Texas agencies and institutions of higher education (State Agencies)	
Rate 41 Group ¹	
Freeport-McMoRan Copper & Gold, Inc.	
ArcelorMittal USA LLC	
Wal-Mart Stores Texas, LLC, and Sam's East, Inc.	
W. Silver, Inc.	
United States Department of Defense and all other Federal Executive Agencies	
Coalition of Cities Served by El Paso Electric ²	
City of Socorro	
NRG Residential Solar Solutions LLC	
Solar Energy Industries Association	
Office of Public Utility Counsel	
Sunrun Corporation	
ECO ELP, Inc	
Energy Freedom Coalition of America	

¹ Consisting of Ysleta ISD, El Paso ISD, Socorro ISD, Clint ISD, San Elizario ISD, Fabens ISD, Anthony ISD, Canutillo ISD, Tornillo ISD, El Paso County, Housing Authority of the City of El Paso, Region 19 Education Service Center, and El Paso County Community College District.

² Consisting of the municipalities of the City of San Elizario, the City of Clint, and the City of Horizon City.

III. SUMMARY OF THE UNCONTESTED AMENDED AND RESTATED AGREEMENT

The Amended and Restated Agreement resolves all issues in these proceedings, as detailed in that agreement. A high level summary of the principal provisions of the Amended and Restated Agreement is as follows:³

1. **Overall revenues**—EPE should receive an overall increase of \$37 million in Texas base rate and other revenues, effective for electricity consumed on and after January 12, 2016. (Article I.A.) These rates have been collected on an interim basis, subject to surcharge or refund, as appropriate, as approved in SOAH Order No. 16.
2. **Four Corners issue**—EPE should receive an incremental increase of \$3.7 million in annual revenue requirement for base rates (in addition to the \$6,081,409 deemed to be included in the \$37 million increase) associated with its interest in Units 4 and 5 of the Four Corners power plant. This incremental amount for Four Corners is in addition to the \$37 million and also applies to consumption on and after January 12, 2016. (Article I.B.)
3. **Plant additions**—EPE's additions to plant in service after June 2009 through March 31, 2015 are deemed reasonable and necessary and included in rate base, with one item to be addressed in a future case and with the Copper gas turbine to continue to be excluded from rate base. (Article I.C.)
4. **Return on equity**—EPE shall utilize a return on equity of 9.7 percent only for purposes of calculating Allowance for Funds Used During Construction. (Article I.D.)
5. **Depreciation**—The Amended and Restated Agreement specifies depreciation rates for EPE and how EPE will record any gain or loss on the disposal of transportation equipment. (Article I.E.)
6. **State income taxes**—EPE will begin normalizing state income tax expense. (Article I.F.)

³ This summary is provided for convenience and does not capture all the items addressed by the Amended and Restated Agreement. Articles cited in this Motion refer to the articles in the Amended and Restated Agreement. To understand all of its provisions, please see the Amended and Restated Agreement, which is Exhibit A.

7. **Nuclear decommissioning**—EPE’s rates will be deemed not to include funding for Palo Verde Nuclear Generating Station decommissioning. (Article I.G.)
8. **Environmental consumables**—The expenses for environmental consumables will be removed from base rates and be recovered as eligible fuel costs. (Article I.H.)
9. **Allocation of base rate revenues**—The Amended and Restated Agreement specifies how the \$37 million revenue increase and the \$3.7 million Four Corners amount will be allocated among the rate classes. (Article I.I.)
10. **Rate design and tariff approval**—The Amended and Restated Agreement also addresses tariff and rate design issues. (Article I.J.)
11. **Rate case expenses**—The Amended and Restated Agreement specifies the recovery of rate case expenses incurred by EPE and its municipalities, after the consolidation of the rate case expense Docket No. 45475 into the rate case Docket No. 44941. This recovery of rate case expenses is subject to certain conditions or limitations, including the fact that recovery will not include \$600,000 of such incurred expenses. (Article I.K.)

The Amended and Restated Agreement does not propose a separate and new rate regime for residential customers with distributed generation.

IV. MOTION TO CONSOLIDATE RATE CASE EXPENSE DOCKET NO. 45745

Article I.K of the Amended and Restated Agreement settles the issues concerning the review and recovery of rate case expenses incurred by EPE and its municipalities. Implementing this provision requires that the ALJs consolidate the rate case expense Docket No. 45475 into this Docket No. 44941. Therefore, the Signatories request that Docket No. 45475 be consolidated into Docket No. 44941.

V. MOTION TO ADMIT EVIDENCE

The Signatories request that the following documents be admitted into the record:

1. EPE’s application (filed 8/10/2015);
2. EPE’s 45-day update (filed 9/24/2015);

3. EPE's Proof of Notice (filed 10/9/2015);
4. All other pre-filed direct or rebuttal testimony and exhibits by all parties, including any errata, except (a) the Direct Testimony of Jose Gutierrez filed on December 11, 2015; (b) the Direct Testimony in Support of Non-Unanimous Stipulation and Settlement of James Schichtl and Nathan Hirschi filed on April 19, 2016; and (c) the Direct Testimony in Support of Stipulation of Anna Givens and William B. Abbott filed on April 22, 2016;
5. The supplemental settlement testimony of James Schichtl, on behalf of EPE, and the supplemental settlement testimonies of William B. Abbott, Anna Givens, and Mark Filarowicz, on behalf of the Staff, filed concurrently with this Motion; and
6. The Amended and Restated Agreement in Exhibit A, along with its attachments.

VI. MOTION TO DISMISS CASE AND RETURN TO COMMISSION

The Signatories request that this case then be dismissed from SOAH's docket and be returned to the Commission for ultimate disposition.

Attached as Exhibit B is a draft order for the ALJs to consider in connection with the requests above.

VII. CONCLUSION

In conclusion, the Signatories respectfully request that the ALJ issue orders granting the requests in this motion.

Respectfully Submitted,

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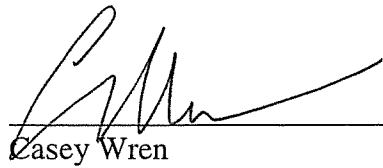
By: Bret J. Slocum for Casey Wren
Casey Wren
ATTORNEYS FOR EL PASO
ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I certify that a true and correct copy of this document was served by electronic mail, facsimile, hand-delivery, overnight delivery, or 1st Class U.S. Mail on all parties of record in this proceeding on July 21, 2016.

Bret J. Slocum for Casey Wren
Casey Wren

AGREED:

A handwritten signature in black ink, appearing to read 'Casey Wren', is written over a horizontal line.

Casey Wren

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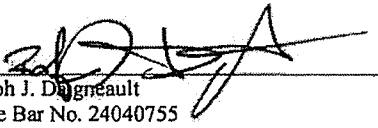
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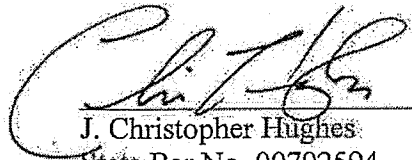
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Attorney for Rate 41 Group

AGREED:

Alton Hall with permission by BJ

Alton J. Hall, Jr.

ADAMS AND REESE LLP

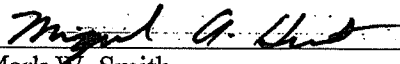
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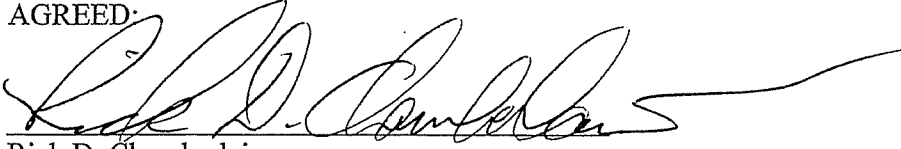
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Rick D. Chamberlain

State Bar No. 24081827

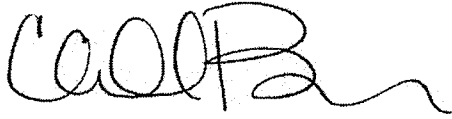
BEHRENS, WHEELER & CHAMBERLAIN

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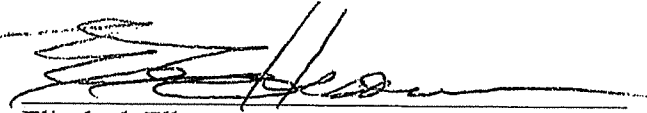


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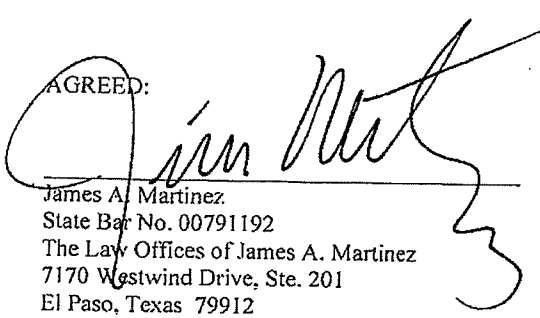
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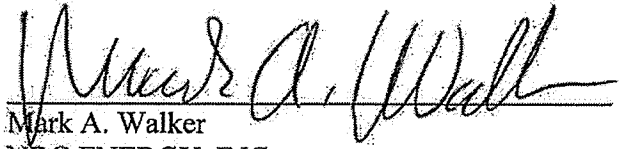
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Mark A. Walker

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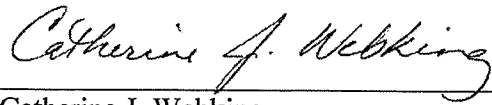
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AGREED:

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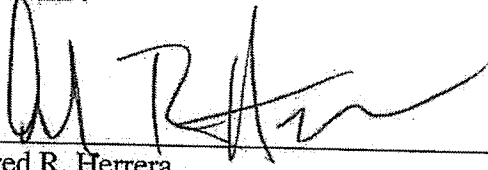
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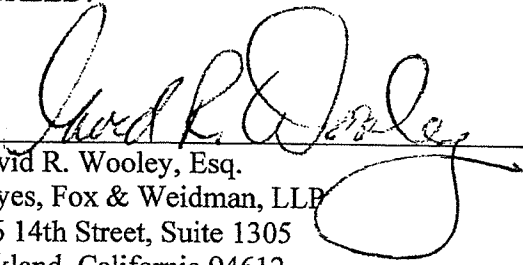
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**SOAH DOCKET NO. 473-15-5257
PUC DOCKET NO. 44941**

APPLICATION OF EL PASO ELECTRIC COMPANY TO CHANGE RATES	§ § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
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**SOAH DOCKET NO. 473-16-1685
PUC DOCKET NO. 45475**

REVIEW OF RATE CASE EXPENSES INCURRED BY EL PASO ELECTRIC COMPANY AND MUNICIPALITIES IN DOCKET NO. 44941	§ § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
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AMENDED AND RESTATED STIPULATION AND AGREEMENT¹

Public Utility Commission Docket No. 44941 is the proceeding established to determine the just and reasonable base rates for El Paso Electric Company (EPE or Company). Settlement discussions among all the parties to Docket No. 44941 have been held, including for base rate purposes, revenue, cost allocation, and rate design issues. As a result of these discussions, the parties to Docket No. 44941 agree to or do not oppose, the terms of this Amended and Restated Stipulation and Agreement, including its attachments (Amended and Restated Agreement). The signatories to the Amended and Restated Agreement (Signatories), further agree to support the Commission's implementation of the Amended and Restated Agreement. The Amended and Restated Agreement provides for a resolution of all base rate issues in this docket.

The Signatories agree that this Amended and Restated Agreement results in just and reasonable rates and that the public interest will be served by resolution of the issues in the

¹ This Amended and Restated Stipulation and Agreement supersedes the Stipulation and Agreement filed on March 29, 2016 (PUCT Interchange No. 652), as amended by the First Amendment to Stipulation and Agreement filed on May 4, 2016 (PUCT Interchange No. 687).

manner prescribed by this Amended and Restated Agreement. Therefore, in consideration of the mutual agreements expressed herein, the Signatories agree and stipulate as follows:

Article I

Base Rate Revenue and Rate Issues

A. Overall Revenues

1. The Signatories agree that the Commission should authorize an overall increase of \$37 million in Texas base rate and other revenues over EPE's test year adjusted revenues, effective for electricity consumed on and after January 12, 2016.
2. For the \$37 million increase, the Signatories agree that an interim order should be promptly issued authorizing the rate increase to be collected in interim rates in bills on and after April 1, 2016, or if EPE believes there are unresolved technical difficulties in billing the interim rates, for the first billing cycle thereafter EPE is able to issue bills to collect the interim rates, subject to surcharge or refund, as appropriate.

B. Four Corners Issue

1. EPE shall receive an incremental \$3.7 million in annual revenue requirement (base rates) associated with its interest in Four Corners Power Plant Units 4 and 5 (Four Corners Incremental Rate Amount). The \$37 million increase in Article I.A. above is deemed to include \$6,081,409 for Four Corners Power Plant Units 4 and 5. The \$3.7 million Four Corners Incremental Rate Amount is in addition to, and shall not result in a reduction to, the \$37 million rate increase in Article I.A. The \$3.7 million Four Corners Incremental Rate Amount shall apply to consumption on and after January 12, 2016, and shall be recovered in two ways. For consumption from January 12, 2016 to the effective date for final base rates set by the Commission in this proceeding (relate back period), the corresponding amount shall be included in the surcharge for this proceeding pursuant to Section

36.211 of the Public Utility Regulatory Act (PURA) (the relate back surcharge). For consumption following the effective date for final base rates, the Four Corners Incremental Rate Amount shall be recovered through a rider that will automatically terminate on July 12, 2017, which is 18 months from January 12, 2016.

2. The final base rates established in this case (excluding the recovery of rate case expenses) shall be the sum of the \$37 million increase in Article I.A. and the Four Corners Incremental Rate Amount.

C. Additions to Plant in Service after June 2009 (end of test year in Docket No. 37690)

All of EPE's additions to electric plant in service from July 1, 2009 through March 31, 2015 are deemed reasonable and necessary and included in rate base, except as noted below.

1. In future cases, EPE's investment in the Copper gas turbine will continue to be excluded from rate base, and EPE will continue to exclude depreciation on the Copper gas turbine from revenue requirements.
2. There is no determination in this proceeding whether the 64.3 kW project known as the Newman Elevated Solar Facility (identified on pages 10-11 of the Direct Testimony of EPE witness Richard Turner) is included in, or excluded from, rate base, and the parties specifically reserve the right to address this particular item of invested capital in EPE's next rate proceeding.
3. The Signatories understand that this Article I.C. has no bearing on the Four Corners Incremental Rate Amount addressed above in Article I.B.

D. Return on Equity

Effective January 12, 2016, EPE shall utilize a return on equity of 9.7 percent only for purposes of calculating Allowance for Funds Used During Construction (AFUDC).

E. Depreciation

1. The adjusted depreciation rates proposed by City of El Paso witness Jacob Pous and reflected in his Direct Testimony and Schedule JP-1 to his Direct Testimony shall be utilized effective January 1, 2016, but are subject to review on a going-forward basis in future proceedings. These depreciation rates are shown on Attachment A.
2. Effective January 1, 2016, the Company will record all gains or losses for the retirement of transportation equipment as a component of accumulated provision for depreciation and amortization of electric plant (FERC Account Number 108).

F. State Income Taxes

Beginning January 1, 2016, EPE should begin normalizing state income tax expense. In other words, it should begin including both current and deferred state income tax expense in its revenue requirement (just as it does for federal income tax expense) instead of just the current portion of state income tax expense. On that date, it should also begin amortizing the test year-end balance of accumulated deferred state income tax expense that has not yet been included in cost of service over a 15-year period.

G. Nuclear Decommissioning

Effective February 1, 2016, EPE's rates will be deemed not to include funding for Palo Verde Nuclear Generating Station (Palo Verde) decommissioning, but this is for purposes of this case only and is subject to review and adjustment on a going-forward basis in future proceedings. EPE shall nonetheless be allowed, in its discretion, to make whatever

contributions to its Palo Verde decommissioning funds, if any, it deems prudent or necessary.

H. Environmental Consumables to Fuel

Effective January 1, 2016, the costs of environmental consumables within the meaning of 16 Texas Administrative Code § 25.236(a)(3) will be removed from base rates and be recovered as eligible fuel costs.

I. Allocation of Revenues

The \$37 million revenue increase authorized under Article I.A. above shall be allocated among customer classes as set forth in Attachment B. The \$3.7 million Four Corners Incremental Rate Amount authorized under Article I.B. above shall be allocated among customer classes as set forth in Attachment C.

J. Rate Design and Tariff Approval

The tariff sheets in Attachment D setting out the rate design of the classes shall be used for purposes of Interim Rates provided by this Amended and Restated Agreement in Article I.A.2. above. The attached tariff sheets reflect the Signatories' agreements concerning the design of the rates, including the following:

1. The customer charge for Rate 1, Residential Service shall be set at \$6.90.
2. The first sentence of the second paragraph of the "Application for Interconnection" section of EPE's Schedule DG tariff shall be modified to include the phrase, "Except for residential customers," at the beginning of the sentence as follows:

Except for residential customers, an Interconnection Customer shall pay the following application fee to the Company at the time the Customer delivers its interconnection application to the Company:

3. The customer charge for Rate 2, Small General Service shall be set at \$9.95.

4. The customer charge for Rate 24, General Service shall be set at \$27.50 with the balance of the increase distributed to this class to be accomplished by increasing the other base charges by an equal percentage.
5. A rate limiter will be applied for Rate 24, General Service, regarding houses of worship, as shown on attached tariff sheet.
6. A rate limiter will be applied for the two customer accounts migrating from Rate 43 to Rate 25, Large Power Service, as shown on attached tariff sheet.
7. The increase distributed to Rate 41 shall be applied by increasing each of the components of the monthly base rate by an equal percentage, as shown on attached tariff sheet. EPE also agrees to provide for informational purposes in its next rate proceeding a Cost of Service analysis that presents Rate 41 as a separate class even if EPE proposes to eliminate the class in that proceeding.
8. EPE's proposed provision for Highly Variable Demand is not adopted.
9. EPE's proposed Schedule CS, Community Solar Rate is not being adopted in this proceeding because it is subject to a separate pending proceeding, Docket No. 44800.
10. The existing Demand and Energy Loss Factors shall remain in effect. EPE agrees to submit a System Loss Study in the 2016 Fuel Reconciliation proceeding for applicability in the fuel reconciliation period beginning April 1, 2016.
11. As shown on the attached Residential tariff sheet, a modified TOU rate shall be offered that is based on an on-peak period of 4 months and 6 hours/day, with a Customer charge of \$8.40 per customer per month.
12. EPE's proposed tariff language changes with rates for the various classes consistent with this Amended and Restated Agreement, Attachment D, shall be approved upon final resolution of this case.

K. Stipulation Regarding Docket No. 45475--Rate Case Expense Review and Recovery

1. SOAH Order No. 9 severed the issue of rate case expense review and recovery into a new proceeding, Docket No. 45475, *Review of Rate Case Expenses Incurred by El Paso Electric Company and Municipalities in Docket No. 44941*. The Signatories agree that Docket No. 45475 should be consolidated with this Docket No. 44941. After this consolidation occurs, the issue of rate case expense review and recovery will be addressed in this Docket No. 44941 and resolved in accordance with this Amended and Restated Agreement.
2. EPE shall be entitled to rate recovery of its and its municipalities' reasonable rate case expenses incurred through the later of (i) July 8, 2016, or (ii) 14 days prior to the date of the open meeting in which the Commission first considers a final order implementing this Amended and Restated Agreement (Rate Case Expense Deadline) less \$600,000. However, as for the Rate Case Expense Deadline, if the Commission considers a final order in more than one Open Meeting and requires the parties to brief a matter, the Rate Case Expense Deadline shall be fourteen days prior to the date of the Open Meeting in which the Commission adopts a final order. There will be no recovery from ratepayers of rate case expenses incurred by EPE after the Rate Case Expense Deadline.
3. Notwithstanding the previous paragraph, EPE will reimburse the reasonable rate case expenses of a municipality entitled to reimbursement of rate case expenses under Section 33.023 of PURA (in this Docket No. 44941, those parties being the City of El Paso, Coalition of Cities Served by El Paso Electric, and the City of Socorro) incurred after the Rate Case Expense Deadline. There will be no recovery from ratepayers of rate case expenses reimbursed by EPE pursuant to this paragraph.
4. So that the invoices will be available for review and EPE can calculate the rate case expense surcharge compliance filing, which is typically 20 days after the

Final Order, EPE and the municipalities shall submit their final invoices for rate case expenses incurred by the Rate Case Expense Deadline no later than 10 days after the Open Meeting in which the Commission first considers a Final Order in this proceeding.

5. Subject to Article I.K.3, recoverable rate case expenses in this Article shall be collected through a separate surcharge that will be based on the expenses being amortized over two years and allocated to customer classes as shown in Attachment E. EPE shall cease billing of the rate case expense surcharge in the month that the total approved amount has been collected. The amount of any over-recovery or under-recovery of the approved rate case expense surcharge by class shall be included in the deferred fuel balance for that class as a refund or surcharge, respectively.

Article II

Implementation of the Amended and Restated Agreement

A. Proposed Order

The Signatories agree that the Commission should issue the proposed order, attached as Attachment F, which is consistent with the terms of this Agreement.

B. Effect of Agreement.

1. The Amended and Restated Agreement urges the Commission to adopt an appropriate order consistent with the terms stated herein. The terms of this Amended and Restated Agreement may not be used either as an admission or concession or evidence in any other proceeding. The Signatories further agree that all oral or written statements made during the course of the settlement negotiations may not be used for any purpose and are governed by TEX. R. EVID. 408. The obligations set forth in this subsection shall continue and be

enforceable, even if this Amended and Restated Agreement is terminated as provided below.

2. This Amended and Restated Agreement is binding on each Signatory only for the purpose of settling the issues as set out herein and for no other purpose. Except to the extent that this Amended and Restated Agreement expressly governs a Signatory's rights and obligations for future periods, this Amended and Restated Agreement, including all terms provided herein, shall not be binding or precedential on a Signatory outside of this case except for a proceeding to enforce the terms of this Amended and Restated Agreement. The Signatories acknowledge and agree that a Signatory's support of the matters contained in this Amended and Restated Agreement may differ from its position or testimony in other proceedings. To the extent there is a difference, a Signatory does not waive its position in such other proceedings. Because this is a settlement agreement, a Signatory is under no obligation to take the same position as set out in this Amended and Restated Agreement in other proceedings, whether those proceedings present the same or a different set of circumstances. The Amended and Restated Agreement is the result of compromise and was arrived at only for the purposes of settling this case. The Amended and Restated Agreement is not intended to be precedential except to the extent that the agreement in Article I, Paragraph C, is a final determination on the reasonableness and necessity of the cost of the capital additions and the agreements in Article I, Paragraphs D through J, are intended to be adopted by the Commission and remain in place until such time as they may be changed on a prospective basis. A Signatory's agreement to entry of a final order of the Commission consistent with this Amended and Restated Agreement should not be regarded as an agreement to the appropriateness or correctness of any assumptions, methodology, or legal or regulatory principle that may have been employed in reaching this Agreement.

3. This Amended and Restated Agreement reflects a compromise, settlement, and accommodation among the Signatories, and the Signatories agree that the terms and conditions stated herein are interdependent. If the Commission does not accept this Amended and Restated Agreement as presented or enters an order inconsistent with any material term of this Amended and Restated Agreement, any Signatory shall have the right to withdraw from all commitments and obligations and to seek a hearing on all issues, present evidence, and advance any positions it desires, as if it had not been a Signatory.
4. This Amended and Restated Agreement contains the entire understanding and agreement of the Signatories, and it supersedes all other written and oral exchanges or negotiations among them or their representatives with respect to the subjects contained herein. Neither this Amended and Restated Agreement nor any of the terms of this Amended and Restated Agreement may be altered, amended, waived, terminated, or modified, except by a writing properly executed by the Signatories.
5. There are no third-party beneficiaries of this Amended and Restated Agreement. Although this Amended and Restated Agreement represents a settlement among the Signatories with respect to the issues presented in this proceeding, this Amended and Restated Agreement is merely a settlement proposal submitted to the Commission, which has the authority to enter an order resolving these issues.
6. This Amended and Restated Agreement is a true and complete resolution of all contested issues in this proceeding.
7. In the event of any irreconcilable conflict between this Amended and Restated Agreement and (1) the Stipulation and Agreement filed on March 29, 2016 or (2) the First Amendment to Stipulation and Agreement filed on May 4, 2016, the provisions of this Amended and Restated Agreement shall control.

8. Each signing representative warrants that he or she is duly authorized to sign this Amended and Restated Agreement on behalf of the Signatory he or she represents. Facsimile and PDF copies of signatures are valid for purposes of evidencing execution. The Signatories may sign individual signature pages to facilitate the circulation and filing of the original of this Amended and Restated Agreement. The Signatories agree that they will use reasonable efforts to obtain expeditious implementation of this Amended and Restated Agreement by entry of appropriate orders in Docket No. 44941.

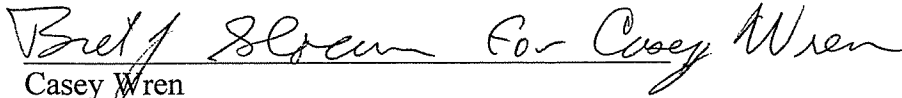
C. Execution

The Signatories agree that this document may be executed in multiple counterparts and filed with facsimile signatures.

The date of this Amended and Restated Agreement is deemed to be July 14, 2016.

[Signature pages begin on following page]

AGREED:



Casey Wren

State Bar No. 22019300

Duggins Wren Mann & Romero, LLP

P.O. Box 1149

Austin, Texas 78767

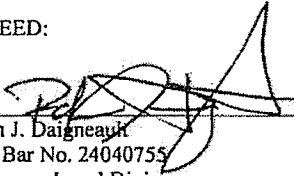
(512) 744-9300

(512) 744-9399 (fax)

Attorney for El Paso Electric Company

| Docket Nos. 44941 and 45475, Amended and Restated Stipulation and Agreement

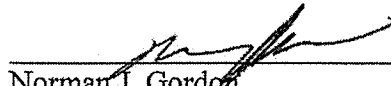
AGREED:



Ralph J. Daigneault
State Bar No. 24040755
Attorney – Legal Division
1701 N. Congress Ave.
P.O. Box 13326
Austin, Texas 78711-3326

Attorney for Public Utility Commission of Texas Staff

AGREED:



Norman J. Gordon
State Bar No. 08203700
Andrés E. Almanzán
State Bar No. 24001643
Mounce, Green, Myers, Safi, Paxson & Galatzan,
A Professional Corporation
100 N. Stanton, Ste. 1700
El Paso, Texas 79901

Attorney for the City of El Paso

AGREED:

A handwritten signature in black ink, appearing to read "Rex D. VanMiddlesworth", written over a horizontal line.

Rex D. VanMiddlesworth

State Bar No. 20449400

Benjamin Hallmark

State Bar No. 24069865

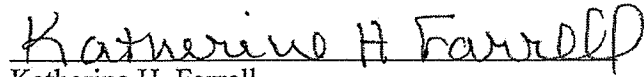
THOMPSON & KNIGHT LLP

98 San Jacinto Blvd., Suite 1900

Austin, Texas 78701

Attorney for Texas Industrial Energy Consumers

AGREED:

A handwritten signature in cursive script, reading "Katherine H. Farrell". The signature is written in dark ink and is positioned above the printed name.

Katherine H. Farrell

State Bar No. 24032396

Sara R. Hammond

State Bar No. 24081003

Administrative Law Division

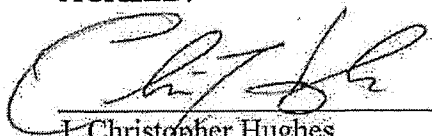
Office of the Attorney General

P.O. Box 12548 – Mailcode 018-12

Austin, Texas 78711-2548

Attorney for The State of Texas Agencies and Institutions of Higher Education


AGREED:

A handwritten signature in black ink, appearing to read "J. Christopher Hughes", is written over a horizontal line.

J. Christopher Hughes
State Bar No. 00792594
HUSCH BLACKWELL, LLP
111 Congress Ave., Ste. 1400
Austin, Texas 78701

Attorney for Rate 41 Group

AGREED:

Alton Hall with permission by 

Alton J. Hall, Jr.

ADAMS AND REESE LLP


LyondellBasell Tower

1221 McKinney, Suite 4400

Houston, Texas 77010

Attorney for Freeport-McMoRan Copper & Gold, Inc.

AGREED:



Mark W. Smith
State Bar No. 18649200
Miguel A. Huerta
State Bar No. 00787733
SMITH TROSTLE & HUERTA LLP
4401 Westgate Blvd., Ste. 330
Austin, Texas 78745

Attorney for BD Vinton, LLC,
Successor in Interest to
ArcelorMittal USA LLC

AGREED:

A handwritten signature in black ink, appearing to read "Rick D. Chamberlain", with a long horizontal flourish extending to the right.

Rick D. Chamberlain

State Bar No. 24081827

BEHRENS, WHEELER & CHAMBERLAIN

6 N.E. 63rd Street, Ste. 400

Oklahoma City, OK 73105-1401

Attorney for Wal-Mart Stores Texas, LLC, and Sam's East, Inc.

AGREED:

A handwritten signature in black ink, appearing to read 'COOPER', with a long horizontal flourish extending to the right.

John K. Arnold
State Bar No. 24013829
Carrie Collier-Brown
State Bar No. 24065064
WINSTEAD PC
401 Congress Ave., Ste. 2100
Austin, Texas 78701

Attorney for W. Silver, Inc.

AGREED:



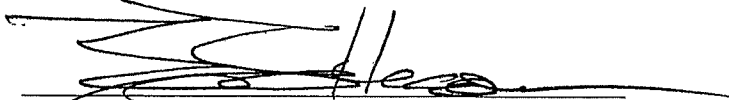
Kyle J. Smith

General Attorney - Regulatory Law
U.S. Army Legal Service Agency
Department of the Army
9275 Gunston Road
ATTN: JALS-RL/IP
Fort Belvoir, VA 22060-4446

Attorney for U.S. Department of Defense and all other Federal Executive Agencies

Docket Nos. 44941 and 45475, Amended and Restated Stipulation and Agreement

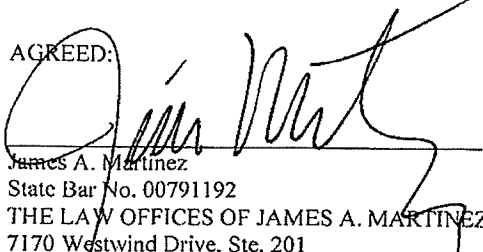
AGREED:

A handwritten signature in black ink, appearing to read 'Elizabeth Elleson', written over a horizontal line.

Elizabeth Elleson
State Bar No. 14865575
BOJORQUEZ LAW FIRM
12325 Hymeadow Dr., Ste. 2-100
Austin, Texas 78750

Attorney for Coalition of Cities Served by El Paso Electric Company

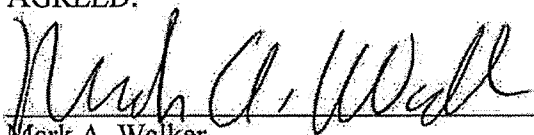
AGREED:



James A. Martinez
State Bar No. 00791192
THE LAW OFFICES OF JAMES A. MARTINEZ
7170 Westwind Drive, Ste. 201
El Paso, Texas 79912

Attorney for City of Socorro, Texas

AGREED:

A handwritten signature in black ink, appearing to read "Mark A. Walker", is written over a horizontal line.

Mark A. Walker

NRG ENERGY, INC.


901 Mopac Expressway, 1-300

Austin, Texas 78746

Attorney for NRG Residential Solar Solutions LLC

Docket Nos. 44941 and 45475, Amended and Restated Stipulation and Agreement

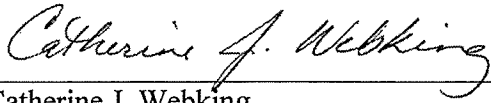
AGREED:

A handwritten signature in black ink, appearing to read "Michael J. Jewell", is written over a horizontal line.

Michael J. Jewell
JEWELL & ASSOCIATES, PLLC
506 West 7th Street, Ste. 1
Austin, Texas 78701

Attorney for Solar Energy Industries Association

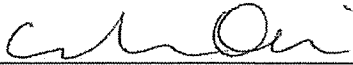
AGREED:

A handwritten signature in cursive script, reading "Catherine J. Webking". The signature is written in black ink and is positioned above a horizontal line.

Catherine J. Webking
State Bar No. 21050055
Scott Douglass & McConnico LLP
303 Colorado Street, Suite 2400
Austin, Texas 78701
(512) 495-6337
(512) 495-6399 (fax)

Attorney for Energy Freedom Coalition of America

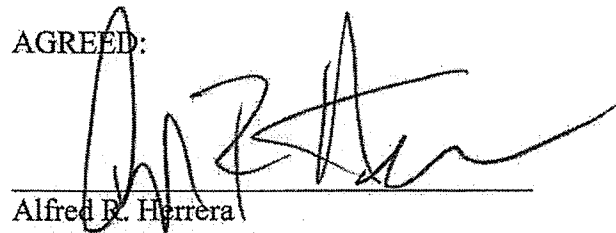
AGREED:



Cassandra Quinn
State Bar No. 24053435
Office of Public Utility Counsel
1701 N. Congress Avenue, Suite 9-180
P.O. Box 12397
Austin, Texas 78711-2397
(512) 936-7500
(512) 936-7525 (fax)

Attorney for the Office of Public Utility Counsel

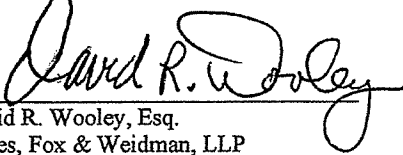
AGREED:



Alfred B. Herrera
State Bar No. 09529600
Herrera & Boyle, PLLC
816 Congress Avenue, Suite 1250
Austin, Texas 78701
(512) 474-1492
(512) 474-2507 (fax)

Attorney for ECO EL PASO

AGREED:

A handwritten signature in black ink, appearing to read "David R. Wooley", is written over a horizontal line.

David R. Wooley, Esq.
Keyes, Fox & Weidman, LLP
436 14th Street, Suite 1305
Oakland, California 94612
(510) 314-8207
(510) 225-3848 (fax)

Attorney for Sunrun Corporation

El Paso Electric Company
Stipulated Depreciation Rates
Puct Docket No. 44941
Effective January 2016

SOAH Docket No. 473-15-5257
PUC Docket No. 44941
SOAH Docket No. 473-16-1685
PUC Docket No. 45475
Amended and Restated Stipulation and Agreement
Attachment A
Page 1 of 3

Depreciable Group		Docket No. 44941 Settlement Depr Rates
Steam Production Plant		
311	Structures & Improvements	
	Rio Grande Unit 6	-
	Rio Grande Unit 7	0.83
	Rio Grande Unit 8	2.43
	Rio Grande Common	6.29
	Newman Unit 1	-
	Newman Unit 2	-
	Newman Unit 3	4.13
	Newman Unit 4	0.15
	Newman Unit 5	1.86
	Newman Common	1.89
312	Boiler Plant Equipment	
	Rio Grande Unit 6	-
	Rio Grande Unit 7	1.62
	Rio Grande Unit 8	2.51
	Rio Grande Common	7.64
	Newman Unit 1	2.20
	Newman Unit 2	1.78
	Newman Unit 3	1.86
	Newman Unit 4	9.72
	Newman Unit 5	2.21
	Newman Common	2.21
313	Engines & Engine Driven Generators	
	Newman Unit 1	1.18
	Newman Unit 4	4.25
	Newman Unit 5	2.13
314	Turbo-generator Units	
	Rio Grande Unit 6	-
	Rio Grande Unit 7	1.07
	Rio Grande Unit 8	1.49
	Newman Unit 1	3.76
	Newman Unit 2	3.22
	Newman Unit 3	1.63
	Newman Unit 4	2.83
	Newman Unit 5	1.97
	Newman Common	1.91
315	Accessory Electric Equipment	
	Rio Grande Unit 6	-
	Rio Grande Unit 7	2.50
	Rio Grande Unit 8	2.86
	Newman Unit 1	0.01
	Newman Unit 2	-
	Newman Unit 3	0.03
	Newman Unit 4	0.55
	Newman Unit 5	1.91

El Paso Electric Company
Stipulated Depreciation Rates
Puct Docket No. 44941
Effective January 2016

SOAH Docket No. 473-15-5257
PUC Docket No. 44941
SOAH Docket No. 473-16-1685
PUC Docket No. 45475
Amended and Restated Stipulation and Agreement
Attachment A
Page 2 of 3

Depreciable Group		Docket No. 44941 Settlement Depr Rates
316	Miscellaneous Power Plant Equipment	
	Rio Grande Unit 6	-
	Rio Grande Unit 7	0.20
	Rio Grande Unit 8	2.64
	Rio Grande Common	4.45
	Newman Unit 1	1.15
	Newman Unit 2	-
	Newman Unit 3	1.50
	Newman Unit 4	2.25
	Newman Unit 5	1.47
	Newman ZLD	2.00
	Newman Common	1.04
Other Production Plant		
341	Structures & Improvements	
	Copper Power Station	0.20
	Rio Grande Unit 9	2.27
	Solar Facilities	4.62
342	Fuel Holders	
	Copper Power Station	-
	Rio Grande Unit 9	2.15
343	Prime Movers	
	Rio Grande Unit 9	2.14
344	Generators	
	Copper Power Station	3.02
	Rio Grande Unit 9	2.27
	Solar Facilities	4.61
345	Accessory Electric Equipment	
	Copper Power Station	3.39
	Rio Grande Unit 9	2.11
	Solar Facilities	4.50
346	Miscellaneous Power Plant Equipment	
	Copper Power Station	-
	Rio Grande Unit 9	2.15
Transmission Plant		
350	Land Rights	0.99
352	Structures & Improvements	1.33
353	Station Equipment	0.94
354	Steel Towers And Fixtures	1.29
355	Wood And Steel Poles	1.64
356	Overhead Conductors	1.36
359	Roads And Trails	1.05

El Paso Electric Company
Stipulated Depreciation Rates
Puct Docket No. 44941
Effective January 2016

SOAH Docket No. 473-15-5257
PUC Docket No. 44941
SOAH Docket No. 473-16-1685
PUC Docket No. 45475
Amended and Restated Stipulation and Agreement
Attachment A
Page 3 of 3

Depreciable Group		Docket No. 44941 Settlement Depr Rates
Distribution Plant		
360	Land Rights	1.29
361	Structures & Improvements	1.55
362	Station Equipment	1.33
364	Poles, Tower & Fixtures	1.62
365	Overhead Conductors & Devices	1.81
366	Underground Conduit	1.29
367	Underground Conductors & Devices	1.95
368	Line Transformers	1.83
369	Services	1.43
370	Meters	2.75
371	Installations On Customer Premises	2.98
373	Street Lighting & Signal System	2.34
General Plant		
390	Structures & Improvements	
	System Operations Building	1.11
	Stanton Tower	1.14
	Other Structures	1.57
391	Office Furniture And Equipment	1.71
393	Stores Equipment	3.96
394	Tools, Shop And Garage Equipment	3.83
395	Laboratory Equipment	6.47
396	Power Operated Equipment	4.58
397	Communication Equipment	6.48
398	Miscellaneous Equipment	6.65
Stipulated Rates Not Included In Study		
Montana Power Station		
341	Structures & Improvements	2.22
342	Fuel Holders	2.22
343	Prime Movers	2.22
344	Generators	2.22
345	Accessory Electric Equipment	2.22
346	Miscellaneous Power Plant Equipment	2.22
Other		
390	Structures & Improvements	
	Eastside Operations Center	1.00
391	Computer Equipment	20.00
392	Transportation Equipment	6.92

Settlement Allocation of \$37M Base Rate Increase by Class

Rate Schedule		Present Revenues	Settlement Increase	% Settlement Increase
<u>No.</u>	<u>Description</u>			
	Firm Service Rates			
1	Residential Service	\$ 180,425,877	\$ 23,969,367	13.3%
2	Small General Service	29,056,037	1,263,912	4.3%
7	Outdoor Recreational Lighting	428,233	73,470	17.2%
8	Government Street Lighting	3,432,085	500,059	14.6%
9	Traffic Signals	71,791	19,977	27.8%
11	Municipal Pumping	2,636,686	94,675	3.6%
11-TOU	Municipal Pumping TOU	6,780,227	296,670	4.4%
15	Electrolytic Refining Service	2,401,515	4,950	0.2%
WH	Water Heating Service	583,702	148,496	25.4%
22	Irrigation Service	551,525	66,028	12.0%
24	General Service	112,602,803	4,107,996	3.6%
25	Large Power Service	40,303,531	531,531	1.3%
26	Petroleum Refinery Service	11,855,919	120,665	1.0%
28	Area Lighting Service	2,667,061	99,039	3.7%
30	Electric Furnace Rate	1,128,166	154,890	13.7%
31	Military Reservation Service	12,390,022	549,617	4.4%
34	Cotton Gin Service	77,015	19,980	25.9%
41	City & County Service	22,708,541	3,191,357	14.1%
	Total Firm Service	\$ 430,100,736	\$ 35,212,679	8.2%
	Non-Firm Service	3,537,114	310,000	8.8%
	Other Operating Revenue	29,005,685	1,477,321	5.1%
	Total Firm, Non-Firm Service, and Other Operating Revenue	\$ 462,643,535	\$ 37,000,000	8.0%

Settlement Allocation of Four Corners
Incremental Rate Amount (Article I.I.) \$3.7M Base Rate Increase

Rate Schedule		Distributed
<u>No.</u>	<u>Description</u>	<u>Revenue</u>
	Firm Service Rates	
1	Residential Service	\$ 2,496,620
2	Small General Service	131,648
7	Outdoor Recreational Lighting	7,653
8	Government Street Lighting	52,086
9	Traffic Signals	2,081
11	Municipal Pumping	9,861
11-TOU	Municipal Pumping TOU	30,901
15	Electrolytic Refining Service	516
WH	Water Heating Service	15,467
22	Irrigation Service	6,877
24	General Service	427,884
25	Large Power Service	55,364
26	Petroleum Refinery Service	12,568
28	Area Lighting Service	10,316
30	Electric Furnace Rate	16,133
31	Military Reservation Service	57,247
34	Cotton Gin Service	2,081
41	City & County Service	332,408
	Total Firm Service	\$ 3,667,711
38	Non-Firm Service	32,289
		\$ 3,700,000

EL PASO ELECTRIC COMPANY
2015 RATE CASE FILING
SCHEDULE Q-8.8: TARIFF SCHEDULES
SPONSOR: JAMES SCHICHTL
PREPARER: BILLY KILGORE
FOR THE TEST YEAR ENDED MARCH 31, 2015

THE PROPOSED TARIFFS OF EL PASO ELECTRIC COMPANY FOLLOW THIS PAGE.

EL PASO ELECTRIC COMPANY

SECTION 1

TABLE OF CONTENTS AND

RATE SCHEDULES

EL PASO ELECTRIC COMPANY

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State of Texas Service Area	---	3
<u>Rate Schedules</u>		
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Outdoor Recreational Lighting Service Rate	07	6
Governmental Street Lighting Service Rate	08	7
Governmental Traffic Signal Service Rate	09	7.1
Municipal Pumping Service Rate	11	8
Time of Use Municipal Pumping Service Rate	11-TOU	8.2
Electrolytic Refining Service Rate	15	9
Irrigation Service Rate	22	11
General Service Rate	24	12
General Service Transition Rate Rider	24A	12.1
Large Power Service Rate	25	13
Petroleum Refinery Service Rate	26	14
Area Lighting Service Rate	28	16
Electric Furnace Rate	30	18
Military Reservation Service Rate	31	19
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Electric Vehicle Charging Rate	EVC	39

Section Number 1
Sheet Number 1
Page 1 of 4

Revision Number 31
Effective with bills issued on or after the
first billing cycle in April 2016

EL PASO ELECTRIC COMPANY

TABLE OF CONTENTS

<u>Title</u>	<u>Rate Schedule Number</u>	<u>Sheet Number</u>
<u>Section 2</u>		
Table of Contents	---	1
Rules and Regulations Regarding Electric Service	---	2
Agreement for Purchase of Electric Service from El Paso Electric Company	---	3
Deferred Payment Plan Agreement	---	6
Absolute Guaranty of Payment of Obligation for Electric Service	---	7
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<u>Section 3</u>		
Line Extension Policy	---	-
Table of Contents	---	1
Service Area	---	2
Purpose	---	3
Definitions	---	4
Policies	---	5

Section Number 1
Sheet Number 1
Page 2 of 4

Revision Number 31
Effective with bills issued on or after the
first billing cycle in April 2016

EL PASO ELECTRIC COMPANY
DESCRIPTION OF COMPANY OPERATIONS

The El Paso Electric Company serves the County of El Paso and portions of the Counties of Culberson and Hudspeth in the State of Texas. The Company serves portions of Dona Ana, Sierra, Otero and Luna Counties in the State of New Mexico. The Company generates, transmits and distributes electric energy for the entire Company service area. The Company has transmission line interconnections in the states of Arizona and New Mexico and provides (FERC Jurisdictional) electrical energy to Rio Grande Electric Cooperative, Inc., for the Cooperative's Culberson and Hudspeth Counties service areas.

(T)

(T)

Section Number 1
Sheet Number 2
Page 3 of 4

Revision Number 10
Effective with bills issued on or after the
first billing cycle in April 2016

EL PASO ELECTRIC COMPANY
STATE OF TEXAS SERVICE AREA

Incorporated Cities, Towns and Villages

City of El Paso
Town of Anthony
Town of Clint
Town of Horizon City
City of Socorro
Town of Van Horn
Village of Vinton
City of San Elizario

Unincorporated Service Areas

County of El Paso
Portion of County of Culberson
Portion of County of Hudspeth

Section Number 1
Sheet Number 3
Page 4 of 4

Revision Number 10
Effective with bills issued on or after the
first billing cycle in April 2016

EL PASO ELECTRIC COMPANY

SCHEDULE NO. 01

RESIDENTIAL SERVICE RATE

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 motor operation is permitted under this service where the size of individual motors does not exceed 5 horsepower (HP), except that three-phase 120/240 volt service may be provided for motors over 5 HP if determined by the Company to be economically feasible. Single or three-phase motors shall not exceed 5 or 10 HP individual capacity without the written approval of the Company.

MONTHLY RATES

STANDARD SERVICE MONTHLY RATE

Customer Charge (per meter per month):	\$6.90
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Energy Charge Per kWh	Summer (May through October)	Winter (November through April)
0 - 600 kWh	\$0.09455	-----
All Other kWh	\$0.09956	-----
All kWh	-----	\$0.08455

ALTERNATE TIME-OF-USE (TOU) MONTHLY RATE

Customer Charge (per meter per month):	\$8.40
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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 01

RESIDENTIAL SERVICE RATE

Energy Charge Per kWh	Summer (June through September)	Winter (October through May)
On-Peak Period	\$0.24524	-----
Off-Peak Period	\$0.06908	\$0.06908

The Customer must contract for the TOU provision for a minimum of twelve (12) months.

The on-peak period shall be from 12:00 P.M. through 6:00 P.M., Mountain Daylight Time, Monday through Friday, for the months of June through September. The off-peak period shall be all other hours not covered in the on-peak period.

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge.

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.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 01

RESIDENTIAL SERVICE RATE

MONTHLY RATE – OFF-PEAK WATER HEATING

Customer Charge (per meter per month)		\$6.50
Energy Charge per kWh	Summer (May through October)	Winter (November through April)
All kWh	\$0.03547	\$0.02548

MONTHLY MINIMUM CHARGE– OFF-PEAK WATER HEATING

The monthly minimum charge is the Customer Charge.

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 at his or her residential address. 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 greater. 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 an EPE-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

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RESIDENTIAL SERVICE RATE

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).

ENERGY EFFICIENCY COST RECOVERY FACTOR

Service under this rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

Service under this rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

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 connection 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.

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RESIDENTIAL SERVICE RATE

3. Service under this rate shall include home lighting and residential power for operation of household appliances.
4. Single-phase motors for domestic use may not exceed 10 HP without the written approval of the Company. 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.
5. 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.
6. 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.
7. 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 to a combination residential and commercial establishment will be supplied under the appropriate commercial 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.

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RESIDENTIAL SERVICE RATE

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.

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EL PASO ELECTRIC COMPANY
SCHEDULE NO. 02
SMALL GENERAL SERVICE RATE

APPLICABILITY

This rate schedule is available to all Customers for electric lighting, power and heating service where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. The Customer and the Company will determine whether a new Customer qualifies for this rate schedule.

Service under this rate schedule shall be limited to Customers who otherwise do not qualify for service under the Company's other rate schedules and who, during the current month and the previous eleven (11) month period, did not have maximum thirty (30) minute kilowatt (kW) demands exceeding 15 kW in any two (2) consecutive months.

If the Customer's monthly maximum demand exceeds 15 kW for two (2) consecutive months, the Customer shall no longer be eligible for service under the Small General Service Rate, but shall immediately become eligible for service under the General Service Rate or Large Power Service Rate, as applicable. The Customer shall not be eligible for service under the Small General Service Rate for a period of twelve (12) consecutive months thereafter.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will be either single or three phase at the option of the Company and at a standard Company approved voltage. All service will be 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.

MONTHLY RATES

Customer Charge (per meter per month)	\$9.95
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Energy Charge per kWh	Summer (May through October)	Winter (November through April)
All kWh	\$0.11407	\$0.10407

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EL PASO ELECTRIC COMPANY
SCHEDULE NO. 02
SMALL GENERAL SERVICE RATE

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge.

OFF-PEAK WATER HEATING RIDER

This rider is closed to all new service applications.

For domestic electric water heating service (swimming pool water heating, commercial dishwasher 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 periods 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 (2) 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

Customer Charge (per meter per month)	\$6.50
Energy Charge	Per kWh
Summer (May through October): All kWh	\$0.03547
Winter (November through April): All kWh	\$0.02548

MONTHLY MINIMUM – OFF-PEAK WATER HEATING

The monthly minimum is the Customer Charge.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 02

SMALL GENERAL SERVICE RATE

NON-METERED SERVICE

In instances when metering of energy would be impractical because of the low monthly level of usage and when estimates of this usage can be accurately calculated, the Company may, at its option, provide non-metered service. Billings for non-metered service shall be based on the customer charge plus the monthly energy usage calculated by the Company and applied to the energy charge of this rate schedule. All other approved factors are also applicable.

The Customer is responsible for notifying the Company of additions of equipment served under the Non-Metered Service provision. Failure to provide notice will result in a billing adjustment calculated by the Company. The billing adjustment will be equal to six (6) months billing based on the calculated monthly consumption of the non-meter load.

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 02

SMALL GENERAL SERVICE RATE

The Company at its option may install metering equipment to measure the Customer's thirty (30) minute average kilowatt (kW) demand for purposes of determining the applicable rate schedule.

Any new Customer that has not established a prior service history with the Company shall be classified under the appropriate rate schedule in accordance with a demand estimate performed by the Company.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 07

OUTDOOR RECREATIONAL LIGHTING SERVICE RATE

APPLICABILITY

This rate schedule is available to Customers with outdoor recreational lighting installations such as athletic fields, race tracks and other sport and recreational facilities. This rate schedule is not available for any service to other ancillary facilities, such as concessions, locker rooms, and rest rooms, which are served under other applicable rate schedules.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at one delivery point designated by the Company and will be metered separately from any additional service that may be provided to the Customer under other rate schedules. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MONTHLY RATES

Customer Charge (per meter per month)		\$23.75
Energy Charge per kWh	Secondary Voltage	Primary Voltage
All kWh	\$0.08783	\$0.06271

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge.

FIXED FUEL FACTOR

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

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 07

OUTDOOR RECREATIONAL LIGHTING SERVICE RATE

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

The initial Term of Contract for service under this rate schedule shall be not less than one (1) year.

The Company reserves the right to remove all equipment furnished under this rate schedule after issuance of a disconnect notice and void the contract, if in the opinion of the Company, there is excessive breakage or vandalism of the Company's facilities.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 08

GOVERNMENTAL STREET LIGHTING SERVICE RATE

APPLICABILITY

This rate schedule is available to any village, town, city, county, state of Texas and Federal facility for street lighting and freeway lighting service.

TERRITORY

Texas Service Area

MONTHLY RATES (Applicable only if a Lamp Charge does not exist in this schedule)

Street Lights – Customer Owned

**NON-COMPANY OWNED FIXTURE AND LAMP ON COMPANY OWNED
DISTRIBUTION POLE (1)**

Customer Charge (per meter per month)	\$9.95
Energy Charge, per kWh	\$0.04715
Pole Attachment Fee (2)	\$2.05

- (1) Customer assumes all responsibility for maintenance on fixtures and lamps.
(2) From the currently effective FCC-approved Company pole rental rates.

Street Lights - Mercury Vapor ("MV") and High Pressure Sodium Vapor ("HPSV")

**MERCURY VAPOR – OVERHEAD SYSTEM – COMPANY OWNED
35 FOOT MOUNTING HEIGHT – WOOD POLE ***

	Total Wattage	Per Lamp Charge
175W - 7,000 Lumen Single	195	\$17.30
250W - 11,000 Lumen Single	275	\$19.74
400W - 20,000 Lumen Single	460	\$25.28
400W - 20,000 Lumen Double	920	\$40.16

* Refer to the Mercury Vapor Closed to New Installations and Conversion/Replacement of Existing Installations section of this rate schedule for more information on this service.

**HIGH PRESSURE SODIUM VAPOR – DOWNTOWN EL PASO AREA – COMPANY
OWNED STEEL BASE STANDARD AND LUMINAIRE**

	Total Wattage	Per Lamp Charge
450W - 50,000 Lumen Overhead System	485	\$51.73

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 08

GOVERNMENTAL STREET LIGHTING SERVICE RATE

1,000W - 119,500 Lumen Overhead System	1,102	\$59.22
1,000W - 119,500 Lumen Underground System	1,102	\$96.65

**MERCURY VAPOR – OVERHEAD SYSTEM – COMPANY OWNED
30 FOOT MOUNTING HEIGHT – STEEL POLE ***

	Total Wattage	Per Lamp Charge
400W - 20,000 Lumen Single	460	\$36.16
400W - 20,000 Lumen Double	920	\$50.77

**MERCURY VAPOR – NON-COMPANY OWNED SYSTEMS
INTERSTATE OR FREEWAY LIGHTING ***

	Total Wattage	Per Lamp Charge
250W - 11,000 Lumen – Wall Mounted	292	\$10.57
400W - 20,000 Lumen – 40 Foot Maximum Mounting Height	460	\$14.54
1,000W - 60,000 Lumen – 50 Foot Maximum Mounting Height	1,102	\$38.12

**MERCURY VAPOR – NON-COMPANY OWNED – WOOD POLE
UNDERGROUND OR OVERHEAD RESIDENTIAL SERVICE ***

	Total Wattage	Per Lamp Charge
175W - 7,000 Lumen – 35 Foot Maximum Mounting Height	195	\$8.02

* Refer to Mercury Vapor Closed to New Installations and Conversion/Replacement of Existing Installations section of this rate schedule for more information on this service.

**HIGH PRESSURE SODIUM VAPOR - NON-COMPANY OWNED SYSTEMS
INTERSTATE OR FREEWAY LIGHTING**

	Total Wattage	Per Lamp Charge
150W - 16,000 Lumen – Wall Mounted	193	\$8.42
250W - 23,200 Lumen – Wall Mounted	313	\$11.34
250W - 23,200 Lumen – 40 Foot Maximum Mounting Height	313	\$11.34
400W - 50,000 Lumen – 50 Foot Maximum Mounting Height	485	\$15.59
400W - 50,000 Lumen – Tower Structure 150 Foot-Climbing Maximum Mounting Height, 10 Luminaires per Tower, per fixture	485	\$16.45

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 08

GOVERNMENTAL STREET LIGHTING SERVICE RATE

400W - 50,000 Lumen – Tower Structure 150 Foot-Lowering, Maximum Mounting Height, 10 Luminaires per Tower, per fixture	485	\$15.39
116W – Obstruction Lights Incandescent, 40 Foot Maximum Mounting Height	116	\$4.83
116W – 150 Foot Tower	116	\$5.78

**HIGH PRESSURE SODIUM VAPOR – NON-COMPANY OWNED SYSTEMS
LARGE ARTERIAL LIGHTING**

	Total Wattage	Per Lamp Charge
150W – 16,000 Lumen Wall Mounted	193	\$8.56
250W – 23,200 Lumen Wall Mounted	313	\$12.32
250W – 23,200 Lumen 40 FT Maximum Mounting Height	313	\$12.32
400W – 50,000 Lumen 50 FT Maximum Mounting Height	485	\$17.73

**HIGH PRESSURE SODIUM VAPOR - NON-COMPANY OWNED
WOOD/STEEL POLE UG OR OH STANDARD RESIDENTIAL SERVICE**

	Total Wattage	Per Lamp Charge
100W - 8,500 Lumen – 30 Foot Maximum Mounting Height	124	\$5.95
150W - 14,400 Lumen – 30 Foot Maximum Mounting Height	193	\$7.47
250W - 23,200 Lumen – 30 Foot Maximum Mounting Height	313	\$11.46

**HIGH PRESSURE SODIUM VAPOR - OVERHEAD - NON-COMPANY OWNED
FIXTURE – COMPANY OWNED EXISTING WOOD POLE
(DISTRIBUTION OR STREET LIGHT CF or D)**

	Total Wattage	Per Lamp Charge
100W - 8,500 Lumen – 35 Foot Maximum Mounting Height	124	\$8.03
150W - 14,400 Lumen – 35 Foot Maximum Mounting Height	193	\$9.71
250W - 23,200 Lumen – 35 Foot Maximum Mounting Height	313	\$12.33
250W - 23,200 Lumen – Double 35 Foot Max Mounting Height	626	\$21.91
450W - 50,000 Lumen – 50 Foot Maximum Mounting Height	485	\$16.92

**OVERHEAD SYSTEM - HIGH PRESSURE SODIUM VAPOR
COMPANY OWNED - WOOD POLE**

	Total Wattage	Per Lamp Charge
100W - 8,500 Lumen – 35 Foot Maximum Mounting Height	124	\$16.42
150W - 14,400 Lumen – 35 Foot Maximum Mounting Height	193	\$17.82

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 08

GOVERNMENTAL STREET LIGHTING SERVICE RATE

250W - 23,200 Lumen – 35 Foot Maximum Mounting Height	313	\$20.86
400W - 50,000 Lumen – 50 Foot Maximum Mounting Height	485	\$29.99

**ORNAMENTAL HIGH PRESSURE SODIUM VAPOR -
NON-COMPANY OWNED, OPERATED AND MAINTAINED**

	Total Wattage	Per Lamp Charge
70W - 5,300 Lumen	82	\$2.01
150W - 14,400 Lumen	193	\$3.66
175W - 14,400 Lumen	210	\$3.98
250W - 16,000 Lumen	295	\$4.74

**HIGH PRESSURE SODIUM VAPOR –
ROADWAY ILLUMINATION – NON COMPANY OWNED**

	Total Wattage	Per Lamp Charge
100W – HPS	124	\$2.46
150W – HPS	193	\$3.82
250W – HPS	313	\$6.11
400W – HPS	485	\$14.57

MONTHLY RATES

Street Lights – Light Emitting Diode (“LED”)

NON-COMPANY OWNED AND MAINTAINED SYSTEMS

Wattage Ranges	Per Lamp Charge
31W - 40W LED	\$0.69
41W - 50W LED	\$0.89
51W - 60W LED	\$1.09
61W - 70W LED	\$1.29
71W - 80W LED	\$1.49
81W - 90W LED	\$1.68
91W - 100W LED	\$1.90
101W - 110W LED	\$2.01
111W - 130W LED	\$2.29
131W - 150W LED	\$2.67
151W - 170W LED	\$3.19

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 08

GOVERNMENTAL STREET LIGHTING SERVICE RATE

171W - 190W LED	\$3.59
191W - 210W LED	\$3.99
211W - 230W LED	\$4.39
231W - 250W LED	\$4.78

**CUSTOMER REPLACED, OWNED AND MAINTAINED MV TO LED FIXTURE –
COMPANY OWNED AND MAINTAINED 35 FOOT MOUNTING HEIGHT WOOD POLE**

Description of Replaced Fixture	Total Wattage	Per Lamp Charge
175W - 7,000 Lumen Single	65	\$13.34
250W - 11,000 Lumen Single	100	\$16.68
400W - 20,000 Lumen Single	100	\$19.77

**CUSTOMER REPLACED, OWNED AND MAINTAINED HPSV TO LED FIXTURE –
COMPANY OWNED AND MAINTAINED WOOD POLE**

Description of Replaced Fixture	Total Wattage	Per Lamp Charge
100W – 8,500 Lumen – 35 Foot Maximum Mounting Height	65	\$13.03
150W – 14,400 Lumen – 35 Foot Maximum Mounting Height	95	\$14.88
250W – 23,200 Lumen – 35 Foot Maximum Mounting Height	116	\$17.80
400W – 50,000 Lumen – 35 Foot Maximum Mounting Height	159	\$25.80

MONTHLY RATE PER UNIT

Street lights that do not operate under any of the preceding conditions will be billed under the rate with the closest matching operating conditions.

**MERCURY VAPOR CLOSED TO NEW INSTALLATIONS AND
CONVERSION/REPLACEMENT OF EXISTING INSTALLATIONS**

Mercury Vapor lamp categories are closed to new installations. The Company will continue to maintain existing Mercury Vapor installations and will, at the Company's option, install High Pressure Sodium Vapor ballasts in place of defective non-repairable Mercury Vapor ballasts. Customers with existing fixtures which are defective and must be replaced will have the option to convert its service to high pressure sodium vapor lamps or may cancel service at no cost.

Mercury Vapor Fixture Replacement Schedule

For Company owned lights, when existing mercury vapor fixtures require replacement, the Company will make such replacements with comparable high pressure sodium vapor lighting at no cost, as specified below:

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 08

GOVERNMENTAL STREET LIGHTING SERVICE RATE

**Mercury Vapor – Overhead System – Company Owned,
35 Foot Mounting Height – Wood Pole**

Existing Mercury Vapor Lighting:			High Pressure Sodium Vapor Replacement:		
Wattage	Lumens	kWh	Wattage	Lumens	kWh
195	7,000	70	124	8,500	44
275	11,000	98	193	14,400	69
460	20,000	164	313	23,200	112
920	20,000D	328	313*	23,200	112

**Mercury Vapor – Overhead System – Company Owned,
30 Foot Mounting Height – Steel Pole**

Existing Mercury Vapor Lighting:			High Pressure Sodium Vapor Replacement:		
Wattage	Lumens	kWh	Wattage	Lumens	kWh
460	20,000	164	313	23,200	112
920	20,000D	328	313*	23,200	112

*D=Double - Mercury Vapor with double lamps on a single pole will be converted to two separate poles with a Single High Pressure Sodium Vapor lamp each.

For Non-Company owned lights, upon the request of the Customer, the Company will convert or replace facilities with the high pressure sodium vapor lighting options listed below, at an amount equal to all applicable costs of such conversion or replacement.

Mercury Vapor – Non-Company Owned Systems – Interstate or Freeway Lighting

Existing Mercury Vapor Lighting:			High Pressure Sodium Vapor Replacement:		
Wattage	Lumens	kWh	Wattage	Lumens	kWh
292	11,000	104	193	16,000	69
460	20,000	164	313	23,200	112
1102	60,000	393	485	45,000	173

**Mercury Vapor – Non-Company Owned – Wood Pole,
Underground or Overhead Residential Service**

Existing Mercury Vapor Lighting:			High Pressure Sodium Vapor Replacement:		
Wattage	Lumens	kWh	Wattage	Lumens	kWh
195	7,000	70	124	8,500	44

At the time of the replacement, the Customer will be billed at the applicable rate charge and associated kWh usage for the high pressure sodium vapor replacement lighting.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 08

GOVERNMENTAL STREET LIGHTING SERVICE RATE

Mercury Vapor Fixture Conversion or Replacement of Existing Facilities

Upon the request of the Customer, the Company will convert or replace existing Company owned mercury vapor lighting to applicable Company offered street lighting options other than those indicated above.

Upon the request of and payment by the Customer, the Company will convert existing Company owned facilities (size or type of luminaire) to a different applicable Company offered size or type of luminaire at an amount equal to all applicable costs less the salvage value of the existing facilities.

Upon the request of and payment by the Customer, the Company will replace existing Company owned lighting facilities at an amount equal to all applicable costs less the salvage value of the existing facilities. Installation of new facilities requested by the Customer will be performed pursuant to the applicable Schedule and lamp category described above.

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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

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SCHEDULE NO. 08

GOVERNMENTAL STREET LIGHTING SERVICE RATE

Regulations on file with the Public Utility Commission of Texas and available for inspection at Company offices.

Specific terms applicable to service under this rate schedule are as covered in various written agreements pursuant to such service.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 09

GOVERNMENTAL TRAFFIC SIGNAL SERVICE RATE

APPLICABILITY

This rate schedule is available to any village, town, city, county, state of Texas and Federal facility for traffic signal lights service.

TERRITORY

Texas Service Area

MONTHLY RATES

The Monthly Per Unit Rates, both Incandescent and Light Emitting Diode (LED), are closed to new customers.

INCANDESCENT TRAFFIC SIGNALS **

Type of Unit	Type and Hours Of Operation	Wattage of Incandescent Lamp	Monthly Rate Per Unit
3 Lamp Head	24 Hours	61	\$1.61
4 Lamp Head	24 Hours	61	\$1.61
3 Lamp Head	24 Hours	103	\$2.71
3 Lamp Head	18 Hours Normal, 6 Hours Flashing	103	\$2.71
5 Lamp Head	24 Hours	133	\$3.52
4 Lamp Head	18 Hours Normal, 6 Hours Flashing	103	\$2.71
3 Lamp Head	24 Hours	133	\$3.52
3 Lamp Head	18 Hours Normal, 6 Hours Flashing	133	\$3.52
4 Lamp Head	24 Hours	133	\$3.52
4 Lamp Head	18 Hours Normal, 6 Hours Flashing	133	\$3.52
2 Unit Walk Light	24 Hours	61	\$1.61
2 Unit Walk Light	24 Hours	103	\$2.71
2 Unit Walk Light	18 Hours Normal, 6 Hours Flashing	103	\$2.71
1 Unit Flashing	24 Hours	103	\$2.71
1 Unit Flashing	24 Hours	133	\$3.52
2 Unit School Flashers	351 Annual Burning Hours	103	\$2.71
2 Unit School Flashers	790 Annual Burning Hours	133	\$3.52
30 Watt Controller	24 Hours	30	\$0.79
100 Watt Controller	24 Hours	100	\$3.37

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SCHEDULE NO. 09

GOVERNMENTAL TRAFFIC SIGNAL SERVICE RATE

LIGHT-EMITTING DIODE ("LED") TRAFFIC SIGNALS **

Type of Unit	Type and Hours Of Operation	Wattage of High-Efficiency LED Lamp	Monthly Rate Per Unit
5 Lamp Head	24 Hours	14	\$0.79
3 Lamp Head	24 Hours	14	\$0.45
3 Lamp Head	18 Hours Normal, 6 Hours Flashing	14	\$0.44
4 Lamp Head	24 Hours	14	\$0.79
4 Lamp Head	18 Hours Normal, 6 Hours Flashing	14	\$0.79
2 Unit Walk Light	24 Hours	9	\$0.30
2 Unit Walk Light	18 Hours Normal, 6 Hours Flashing	9	\$0.30
1 Unit Flashing	24 Hours	14	\$0.23
2 Unit Flashing	24 Hours	14	\$0.45
2 Unit School Flashers	351 Annual Burning Hours	14	\$0.36
2 Unit School Flashers	790 Annual Burning Hours	14	\$0.36
4 Unit School Flashers	351 Annual Burning Hours	14	\$0.79
4 Unit School Flashers	790 Annual Burning Hours	14	\$0.79

** Traffic signal lights that do not operate under any of the preceding conditions will be billed using the Monthly Rate Per Unit with the closest matching operating conditions.

METERED TRAFFIC SIGNALS

Metered traffic signal service is available to all current Customers taking service under incandescent and LED per unit rates and to all new service applications. Service available under this rate schedule will be determined by the Company and will normally be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at one delivery point designated by the Company and will be separately metered from any additional service that may be provided to the Customer under other rate schedules.

MONTHLY RATES

Customer Charge (per meter per month)	\$9.95
Energy Charge per kWh	\$0.04031

TRANSITION OF NON-METERED SERVICE TO METERED SERVICE

Customers currently taking service under unmetered Monthly Per Unit Rates, both

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SCHEDULE NO. 09

GOVERNMENTAL TRAFFIC SIGNAL SERVICE RATE

incandescent and LED, will be transitioned to metered rates as the Company installs the necessary metering at the service point. The transition from unmetered rates to metered rates will begin with the effective date of rates pursuant to this rate schedule.

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge.

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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 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.

Specific terms applicable to service under this rate schedule are as covered in various written agreements pursuant to such service.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 11

MUNICIPAL PUMPING SERVICE RATE

APPLICABILITY

This rate schedule is closed to all new service applications.

This rate schedule is available for service to incorporated villages, town, counties and municipalities and other legal property taxing authorities for water pumping, sewage pumping, storm water and sewage pumping, or sewage disposal plant usage only.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service to locations existing as of December 1, 1974 will be maintained on existing voltages. All locations after this date will have the following type of service:

10 HP or less connected - 120/240 volt, single phase;
11 HP to 49 HP connected - 120/240 volt, three phase;
50 HP to 1,000 HP connected - 277/480 volt, three phase; and
over 1,000 HP connected at the Company's specified standard primary voltage.

All service will be taken at one point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

As of November 1979, the Company will provide the transformation necessary for all new accounts except those receiving service at primary voltages (2,400 volts and higher).

MONTHLY RATES

Customer Charge (per meter per month)	\$24.50	
Energy Charge per kWh	Summer (June through September)	Winter (October through May)
Secondary Voltage	\$0.06611	\$0.05611
Primary Voltage	\$0.06225	\$0.05225

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 11

MUNICIPAL PUMPING SERVICE RATE

MONTHLY MINIMUM CHARGE

The minimum charge is the Customer Charge.

METER VOLTAGE ADJUSTMENT

If electric service is delivered on the high voltage side of a Customer-supplied transformer, but metered on the low voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum kW Demand = Metered Maximum kilowatts multiplied by 1.014
Billing kilowatt-hours = Metered kilowatt-hours multiplied by 1.020

If electric service is delivered on the low voltage side of a Company-owned transformer but metered on the high voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum kW Demand = Metered Maximum kilowatts divided by 1.014
Billing kilowatt-hours = Metered kilowatt-hours divided by 1.020

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 11

MUNICIPAL PUMPING SERVICE RATE

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.

The Term of Contract under this rate schedule shall be not less than one (1) year.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 11-TOU

TIME-OF-USE MUNICIPAL PUMPING SERVICE RATE

APPLICABILITY

This rate schedule is available for service to an incorporated village, town, county, municipality, and other legal property taxing authority for water pumping, sewage pumping, storm water and sewage pumping, or sewage disposal plant usage only.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service to locations existing as of December 1, 1974, will be maintained on existing voltages. All locations after this date will have the following type of service:

10 HP or less connected - 120/240 volt, single phase;
11 HP to 49 HP connected - 120/240 volt, three phase;
50 HP to 1,000 HP connected - 277/480 volt, three phase; and
over 1,000 HP connected - at the Company's specified standard primary voltage.

All service will be taken at one point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

As of November 1979, the Company will provide the transformation necessary for all new accounts except those receiving service at primary voltages (2,400 volts and higher).

MONTHLY RATES

Customer Charge (per meter per month)	\$55.45
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Energy Charge per kWh	Secondary Voltage	Primary Voltage
On-Peak	\$0.21049	\$0.20820
Shoulder-Peak	\$0.10845	\$0.10616
Off-Peak	\$0.04507	\$0.04278

The on-peak period shall be from 1:00 P.M. through 5:00 P.M., Mountain Daylight Time,

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 11-TOU

TIME-OF-USE MUNICIPAL PUMPING SERVICE RATE

Monday through Friday, for the months of June through September. The shoulder-peak period shall be from 10:00 A.M. through 1:00 P.M., and 5:00 P.M. through 8:00 P.M., Mountain Daylight Time, Monday through Friday, for the months of June through September. The off-peak period shall be all other hours not covered in the on-peak and shoulder-peak periods.

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge.

METER VOLTAGE ADJUSTMENT

If electric service is delivered on the high voltage side of a Customer-supplied transformer, but metered on the low voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum kW Demand = Metered Maximum kilowatts multiplied by 1.014
Billing kilowatt-hours = Metered kilowatt-hours multiplied by 1.020

If electric service is delivered on the low voltage side of a Company-owned transformer but metered on the high voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum kW Demand = Metered Maximum kilowatts divided by 1.014
Billing kilowatt-hours = Metered kilowatt-hours divided by 1.020

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 11-TOU

TIME-OF-USE MUNICIPAL PUMPING SERVICE RATE

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.

The Term of Contract under this rate schedule shall be not less than one (1) year.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 15

ELECTROLYTIC REFINING SERVICE RATE

APPLICABILITY

This rate schedule is available to electrolytic refining plants where the Customer contracts for a minimum contract capacity of 10,000 kilowatts (kW). This rate schedule is not available to any new or existing Customer who takes initial service after January 1, 1980.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule shall be alternating current, 60 hertz, three phase at a primary or transmission voltage of not less than 13,800 volts. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MONTHLY RATES

Customer Charge (per meter per month)	\$110.50	
	Summer (June through September)	Winter (October through May)
Demand Charge per kW	\$15.77	\$11.58
Energy Charge per kWh		
On-Peak Period	\$0.14630	-----
Off-Peak Period	\$0.00700	\$0.00700

The on-peak period shall be from 12:00 P.M. through 6:00 P.M., Mountain Daylight Time, Monday through Friday, for the months of June through September. The off-peak period shall be all other hours not covered in the on-peak period.

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the applicable Demand Charge.

In the event the Customer has signed a contract for firm demand in conjunction with interruptible power service, then the monthly demand to be billed under this rate schedule shall be that amount specified in the power sales agreement for firm demand.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 15

ELECTROLYTIC REFINING SERVICE RATE

DETERMINATION OF BILLING DEMAND

Maximum demand is defined as the highest measured thirty (30) minute average kW load.

The billing demand will be the highest of:

- A. 10,000 kW; or,
- B. The maximum demand; or,
- C. 75% of the highest measured demand established during the billing months of June through September in the twelve (12) month period ending with the current month.

POWER FACTOR ADJUSTMENT

Effective April 1, 2011, if the power factor at the time of the highest measured thirty (30) minute interval kW demand for the entire plant is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = ((kW x .95 / PF) – kW) x DC, where
ADJ = Increase to applicable Demand Charge
kW = Monthly Measured Demand
PF = Monthly measured Power Factor
DC = Demand Charge

INTERCONNECTION CHARGE

Customers taking service under this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, engineering, and administrative costs incurred by the Company directly related to the installation of the physical facilities necessary to permit interconnected operations with a qualifying facility, to the extent such costs are in excess of the corresponding costs that the Company would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity from other sources.

The Company shall provide a detailed estimate of the cost of interconnection within thirty (30) days of receipt of written application for interconnection. The Customer shall pay the full amount of the estimated interconnection costs at the time notice to interconnect is

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SCHEDULE NO. 15

ELECTROLYTIC REFINING SERVICE RATE

provided to the Company. Upon completion of the interconnection the actual costs shall be computed and reimbursements to the appropriate party shall be made for any differences between the actual and estimated cost of interconnection. In addition, Customers with design capacity greater than 100 kW shall pay an annual charge of 4.5857 percent of the capital costs of interconnection to provide for the recovery of property taxes, revenue related taxes, depreciation expense, and operation and maintenance expenses. The annual charge of 4.5857 percent is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month.

FIXED FUEL FACTOR

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

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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. The terms of the contract for service shall also apply to service under this rate schedule.

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EL PASO ELECTRIC COMPANY
SCHEDULE NO. 22
IRRIGATION SERVICE RATE

APPLICABILITY

This rate schedule is available for service to irrigation water pumps dedicated solely for irrigation water pumping. Only irrigation water pump loads of 15 kW or larger will be served under this rate schedule.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at one 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.

MONTHLY RATES

STANDARD SERVICE RATE - This rate is closed to new service applications.

Customer Charge (per meter per month)		\$22.75
Energy Charge per kWh	Summer (May through October)	Winter (November through April)
All kWh	\$0.10426	\$0.08075

ALTERNATE TIME-OF-USE (TOU) RATE

This rate is available to current customers and new service applications.

Customer Charge (per meter per month)		\$22.75
Energy Charge per kWh	Summer (June through September)	Winter (October through May)
On-Peak Period	\$0.36095	-----
Off-Peak Period	\$0.07929	\$0.07929

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 22

IRRIGATION SERVICE RATE

The Customer must contract for this provision for a minimum of twelve (12) months. The on-peak period shall be from 1:00 p.m. through 5:00 p.m., Mountain Daylight Time, Monday through Friday, for the months of June through September. The off-peak period shall be all other hours not covered in the on-peak period.

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge.

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

The Term of Contract for service under this rate schedule shall be not less than one (1) year during which time the Customer will maintain an active account and will pay the monthly minimum regardless of whether or not service is consumed.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 22

IRRIGATION SERVICE RATE

CONDITIONS FOR SERVICE AVAILABILITY

Service will be provided under the provisions of the Company's Line Extension Policy.

DISCONTINUANCE OF USE BY CUSTOMER

Where use of service is discontinued by the Customer or payments for any billing year are not made in accordance with the rate schedule, the Company may at such time, after issuance of a disconnect notice, remove the Company-installed facilities used to provide service with no further liability by the Company to the Customer. Such removal shall not relieve the Customer of any payments due to the Company for service.

Service reconnections following disconnection at Customer request or for non-payment will be made under the available Alternate TOU rate.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 24

GENERAL SERVICE RATE

APPLICABILITY

This rate schedule is available to all Customers for lighting, power, and heating service with a highest measured demand as defined by the Determination of Billing Demand. Service under this rate schedule shall be limited to Customers who otherwise do not qualify for service under the Company's other rate schedules and whose highest measured demand, during the current month and previous eleven (11) month period, was (i) greater than fifteen (15) kilowatts (kW) in any month and (ii) did not exceed six hundred (600) kW, in any two (2) consecutive months.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at one 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.

MONTHLY RATES

STANDARD MONTHLY RATES

Customer Charge (per meter per month)	\$27.50
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Secondary Voltage	Summer	Winter
Demand Charge per kW	\$12.21	\$8.50
Energy Charge, per kWh		
For the first 200 hours times the maximum measured demand	\$0.06927	\$0.03408
For the next 150 hours times the maximum measured demand	\$0.05038	\$0.02479
For all additional kWh	\$0.03664	\$0.01803

Primary Voltage	Summer	Winter
Demand Charge per kW	\$10.95	\$7.24
Energy Charge, per kWh		

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 24

GENERAL SERVICE RATE

For the first 200 hours times the maximum measured demand	\$0.05513	\$0.02712
For the next 150 hours times the maximum measured demand	\$0.04008	\$0.01973
For all additional kWh	\$0.02914	\$0.01435

The Summer period shall be the months of May through October. The Winter period shall be the months of November through April.

ALTERNATE TIME-OF-USE MONTHLY RATE

Customer Charge (per meter per month)	\$27.50
---------------------------------------	---------

Secondary Voltage	Summer (June through September)	Winter (October through May)
Demand Charge per kW	\$21.16	\$16.97
Energy Charge per kWh		
On-Peak	\$0.12654	-----
Off-Peak	\$0.00813	\$0.00813

Primary Voltage	Summer (June through September)	Winter (October through May)
Demand Charge per kW	\$19.94	\$15.75
Energy Charge per kWh		
On-Peak	\$0.12360	-----
Off-Peak	\$0.00794	\$0.00794

The on-peak period shall be from 12:00 P.M. through 6:00 P.M., Mountain Daylight Time, Monday through Friday, for the months of June through September. The off-peak period shall be all other hours not covered in the on-peak period.

Customers electing the TOU monthly rate must continue to take service under this rate option for a minimum of twelve (12) months.

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge plus the applicable Demand Charge.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 24

GENERAL SERVICE RATE

DETERMINATION OF BILLING DEMAND

Maximum demand is defined as the highest measured thirty (30) minute average kW load.

The billing demand will be the highest of:

- A. 15 kW; or,
- B. The maximum demand; or,
- C. 60% of the highest measured demand established during the billing months of June through September in the twelve (12) month period ending with the current month.

The Company may refuse service to another Customer at the same address when service is terminated to avoid or evade payment of the minimum demand charges as set forth in this rate schedule.

POWER FACTOR ADJUSTMENT

Effective April 1, 2011, if the measured power factor at the time of the highest measured thirty (30) minute interval kW demand for the entire plant is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = $((kW \times .95 / PF) - kW) \times DC$, where
ADJ = Increase to applicable Demand Charge,
kW = Monthly Measured Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge.

METER VOLTAGE ADJUSTMENT

If electric service is delivered on the high voltage side of a Customer-supplied transformer but metered on the low voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum kW Demand = Metered Maximum kilowatts multiplied by 1.014
Billing kilowatt-hours = Metered kilowatt-hours multiplied by 1.020

If electric service is delivered on the low voltage side of a Company-owned transformer but metered on the high voltage side of the transformer, the following meter adjustments shall be made:

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SCHEDULE NO. 24

GENERAL SERVICE RATE

Adjusted Maximum kW Demand = Metered Maximum kilowatts divided by 1.014
Billing kilowatt-hours = Metered kilowatt-hours divided by 1.020

OFF-PEAK WATER HEATING RIDER

This rider is closed to all new service applications.

This rider is for domestic electric water heating service (swimming pool water heating, commercial dishwasher 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 periods 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 (2) 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

Customer Charge (per meter per month)	\$6.50
Energy Charge	Per kWh
Summer (May through October): All kWh	\$0.03547
Winter (November through April): All kWh	\$0.02548

MONTHLY MINIMUM CHARGE – OFF-PEAK WATER HEATING

The monthly minimum charge is the Customer Charge.

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GENERAL SERVICE RATE

THERMAL ENERGY STORAGE RIDER

This rider is closed to all new service applications.

Available to customers with separately metered Thermal Energy Storage (TES) Systems whose maximum demand does not exceed the maximum demand of the building after completion of the necessary contract arrangements and installation of the necessary meter equipment. The billing demand for this separately metered load will be the highest measured thirty (30) minute average kW load established during the on-peak period.

The on-peak period shall be from 12:00 P.M. through 6:00 P.M., Mountain Daylight Time, Monday through Friday. The off-peak period shall be all other hours not covered in the on-peak period.

No other options or riders are applicable to consumption covered under this rider. Both separately metered TES systems and total building loads must be served under this rate schedule.

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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 shall apply.

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SCHEDULE NO. 24

GENERAL SERVICE RATE

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.

If a Customer's highest measured thirty (30) minute average kW load exceeds 600 kW for two (2) consecutive months, the Customer shall be placed on the Large Power Service Rate Schedule No. 25 for a minimum of twelve (12) months. Upon completion of the minimum twelve (12) month period, a determination will be made by the Company for the Customer's applicable rate schedule.

If a Customer's highest measured thirty (30) minute average kW load has not exceeded 15 kW for two (2) consecutive months during the current month and previous eleven (11) month period, at the Company's sole option, that Customer shall be placed on Rate Schedule No. 02, Small General Service Rate.

Any new Customer that has not established a prior service history with the Company shall be classified under the appropriate rate schedule in accordance with a demand estimate performed by the Company.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 24A

GENERAL SERVICE TRANSITION RATE RIDER FOR CHARITABLE ORGANIZATIONS

APPLICABILITY

Service under this rider is only available in conjunction with service under the Company's Rate Schedule 24. This rider is applicable only to Customers that are churches, synagogues or other houses of worship and other charitable organizations with similar usage characteristics that were taking service under Rate Schedule No. 02 – Small General Service on July 1, 2010 and that qualified for service under Rate Schedule No. 24 – General Service as of January 1, 2011. To be eligible for this rider, Customers must have average monthly load factors below 30% and operate predominantly during nights and weekends. The rider is not applicable to separate offices, meeting halls, schools or other ancillary buildings which may be associated with the organization. This rider is not available to any Customer that owns distributed generation facilities at the premises served.

TERRITORY

Texas Service Area

MONTHLY RATE ADJUSTMENT

This rider provides a credit on the Customer's monthly bill when the average rate per kilowatt-hour (kWh) exceeds the maximum rate per kWh. The credit is calculated based only on the demand and energy charge components of the bill and is equal to the demand plus energy charges minus the energy consumed times the maximum rate per kWh using the formula:

CR = (BD + BE) - (EC x MR), where:
CR = Credit Amount
BD = Billed Demand Charge
BE = Billed Energy Charge
EC = Energy Consumed (kWh)
MR = Maximum Rate per kWh

Maximum rate per kWh	\$0.13250
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PHASE-OUT PERIOD

This rider will remain in effect until the effective date of a change to this rate schedule as a result of a general rate case, upon which the rider will be phased out and terminate no later than twenty-four (24) months from the effective date of the general rate case. During the 24-month phase-out period, the maximum rate per kWh will change from the currently effective maximum rate per kWh to the following maximum rates per kWh:

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SCHEDULE NO. 24A

GENERAL SERVICE TRANSITION RATE RIDER FOR CHARITABLE ORGANIZATIONS

Maximum Rate per kWh - Phase-Out Period	Rate per kWh
Maximum Rate – 1st 12-Month Period	\$0.15250
Maximum Rate – 2nd 12-Month Period	\$0.17250

The revised maximum rate for the first phase-out 12-month period will begin with the effective date of rate schedules from the general rate case. The revised maximum rate for the second 12-month period of the phase-out period will begin with the month following completion of the first 12-month period.

The Transition Rate Rider will terminate no later than the end of the 24-month phase-out period, unless reconsidered in a general rate case prior to that time.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 25

LARGE POWER SERVICE RATE

APPLICABILITY

This rate schedule is available to all Customers for lighting, power, and heating service with a highest measured demand as defined by the Determination of Billing Demand. Service under this rate schedule shall be limited to Customers who otherwise do not qualify for service under the Company's other rate schedules and whose highest measured demand, during the current month and previous eleven (11) month period, exceeded six hundred (600) kilowatts (kW), in any single month.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will be either single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at the 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.

MONTHLY RATES

Secondary Voltage	Summer (June through September)	Winter (October through May)
Customer Charge	\$100.00	\$100.00
Demand Charge per kW	\$22.04	\$17.85
Energy Charge per kWh		
On-Peak Period	\$0.12100	-----
Off-Peak Period	\$0.00812	\$0.00812

Primary Voltage	Summer (June through September)	Winter (October through May)
Customer Charge	\$100.00	\$100.00
Demand Charge per kW	\$21.30	\$17.11
Energy Charge per kWh		
On-Peak Period	\$0.11818	-----
Off-Peak Period	\$0.00793	\$0.00793

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SCHEDULE NO. 25

LARGE POWER SERVICE RATE

Transmission Voltage	Summer (June through September)	Winter (October through May)
Customer Charge	\$200.00	\$200.00
Demand Charge per kW	\$18.84	\$14.65
Energy Charge per kWh		
On-Peak Period	\$0.11529	-----
Off-Peak Period	\$0.00774	\$0.00774

The on-peak period shall be from 12:00 P.M. through 6:00 P.M., Mountain Daylight Time, Monday through Friday for the months of June through September. The off-peak period shall be all other hours not covered in the on-peak period.

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge plus the applicable Demand Charge.

DETERMINATION OF BILLING DEMAND

Maximum demand is defined as the highest measured thirty (30) minute average kW load.

The billing demand will be the highest of:

- A. 600 kW; or,
- B. The maximum demand; or,
- C. 75% of the highest measured demand established during the billing months of June through September in the twelve (12) month period ending with the current month.

The Company may refuse service to another Customer at the same address when service is terminated to avoid or evade payment of the minimum demand charges as set forth in this rate schedule.

THERMAL ENERGY STORAGE RIDER

This rider is closed to all new service applications.

This rider is available to Customers with separately metered Thermal Energy Storage (TES) Systems whose maximum demand does not exceed the maximum demand of the building after completion of the necessary contract arrangements and installation of

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LARGE POWER SERVICE RATE

necessary metering equipment. The billing demand for this separately metered load will be the highest measured thirty (30) minute average kW load established during the on-peak period.

The on-peak period shall be from 12:00 P.M. through 6:00 P.M., Mountain Daylight Time, Monday through Friday. The off-peak period shall be all other hours not covered in the on-peak period.

No other options or riders are applicable to consumption covered under this rider. Both separately metered TES systems and total building loads must be served under this rate schedule.

POWER FACTOR ADJUSTMENT

Effective April 1, 2011, if the power factor at the time of the highest measured thirty (30) minute interval kW demand for the entire plant is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = $((kW \times .95 / PF) - kW) \times DC$, where
ADJ = Increase to applicable Demand Charge,
kW = Monthly Measured Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge

METER VOLTAGE ADJUSTMENT

If electric service is delivered on the high voltage side of a Customer-supplied transformer, but metered on the low voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum kW Demand = Metered Maximum kilowatts multiplied by 1.014
Billing kilowatt-hours = Metered kilowatt-hours multiplied by 1.020

If electric service is delivered on the low voltage side of a Company-owned transformer and metered on the high voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum kW Demand = Metered Maximum kilowatts divided by 1.014
Billing kilowatt-hours = Metered kilowatt-hours divided by 1.020

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 25

LARGE POWER SERVICE RATE

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule, excluding the Transmission Voltage rate, is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

If a Customer's highest measured thirty (30) minute average kW load falls below 600 kW during the current month and previous eleven (11) consecutive month period, the Customer shall be placed on the General Service Rate Schedule No. 24. Should the Customer's highest measured thirty (30) minute average kW load exceed 600 kW in any month thereafter, the Customer shall be returned to the Large Power Service Rate Schedule No. 25.

Any new Customer that has not established a prior service history with the Company shall be classified under the appropriate rate schedule in accordance with a demand estimate performed by the Company.

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SCHEDULE NO. 25

LARGE POWER SERVICE RATE

MIGRATION RATE LIMITER RIDER

On the effective date of a general rate case in which the Company's University Service rate schedule is eliminated, certain Customer accounts will migrate from the University Service rate schedule to the Large Power Service rate schedule. These Customers may see billing impacts in excess of limits that the Company considers reasonable.

A Migration Rate Limiter Rider, intended to reduce the total cost for a migrating Customer by limiting the total increase to these Customers to the maximum the Company is allowing for purposes of revenue distribution pursuant to the general rate case, will be available to qualifying Customers transferring to Large Power Service for a period beginning January 12, 2016 and terminating on the earlier of January 11, 2019 or the effective date of changed rates resulting from the Company's next general rate case.

The rate rider provides a credit on the Customer's monthly bill when the average rate per kilowatt-hour (kWh) exceeds the maximum rate per kWh. The credit is calculated based only on the demand and energy charge components of the bill and is equal to the demand plus energy charges minus the energy consumed times the maximum rate per kWh using the formula:

CR = (BD + BE) - (EC x MR), where:
CR = Credit Amount
BD = Billed Demand Charge
BE = Billed Energy Charge
EC = Energy Consumed (kWh)
MR = Maximum Rate per kWh

Time Period	Maximum Rate per kWh
Maximum Rate – January 12, 2016 to January 11, 2017	\$0.05689
Maximum Rate – January 12, 2017 to January 11, 2018	\$0.06621
Maximum Rate – January 12, 2018 to January 11, 2019	\$0.07911

The rate limiter will increase annually which migrates the Customer towards the full tariffed rate.

The Migration Rate Limiter Rider will terminate no later than the earlier of the effective date of rates in the Company's next general rate proceeding or January 11, 2019.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 25

LARGE POWER SERVICE RATE

EXPERIMENTAL OFF-PEAK RATE RIDER

This experimental rate rider is available to all Customers for lighting, power, and heating service pursuant to the provisions of the Company's Large Power Service Rate currently in effect and otherwise applicable to the Customer, but limited to those Customers whose average load factor, during the current month and previous eleven (11) month period, did not exceed thirty percent. This experimental rate rider is not available for standby, temporary, resale, or interruptible service.

Service under this rate rider will be available by calendar year beginning on January 1 of each year. A Customer requesting service under this rate rider must provide a signed agreement for service to EPE prior to January 1 of the initial year of taking service under the agreement. After the initial calendar year, the agreement will automatically renew for the subsequent calendar year unless the Customer provides written notice to the Company of their cancellation of service under this rate rider on or before December 1 prior to the renewal year. For 2012 only, a Customer may begin service under this rate rider prior to January 2013, but the Customer must sign an agreement for the remainder of 2012 and all of calendar year 2013.

A Customer taking service under this rate rider whose average load factor during the current month and previous eleven (11) month period is greater than 30 percent for two (2) consecutive months shall be declared ineligible for this rate rider and will be billed for the current month and thereafter under the retail rate schedule currently in effect and otherwise applicable to the Customer. The Customer shall again qualify for service under this rate rider in the first month after its average load factor during the current month and previous eleven (11) month period remains below 30 percent.

The Company, at its option, may request payment for any special metering installation costs required for the Customer to take service under this rate rider.

Monthly Rates – Experimental Off-Peak Rider

	Secondary Voltage	Primary Voltage	Transmission Voltage
Customer Charge	\$100.00	\$100.00	\$200.00

Demand Charge per kW			
On-Peak	\$25.81	\$25.07	\$22.61
Maximum	\$12.75	\$12.01	\$9.55

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SCHEDULE NO. 25

LARGE POWER SERVICE RATE

Energy Charge per kWh			
On-Peak	\$0.12100	\$0.11818	\$0.11529
Maximum	\$0.00812	\$0.00793	\$0.00774

The on-peak period shall be from 12:00 P.M. to 6:00 P.M., Mountain Daylight Time, Monday through Friday, for the months of June through September. The off-peak period shall be all other hours not covered in the on-peak period.

On-Peak Demand Charges for the billing months of June and October will be prorated based upon the number of on-peak demand days within the Customer's billing month.

Determination of Billing Demand – Experimental Off-Peak Rider

The Demand Charge will be the sum of the on-peak billing demand times the applicable rate plus the maximum billing demand times the applicable rate.

Maximum demand will be defined as the highest thirty (30) minute average kW load determined by measurement.

The maximum billing demand will be the highest of:

- A. 600 kW; or,
- B. The highest measured demand; or,
- C. 75% of the highest measured demand established in the billing months of June through September in the twelve (12) month period ending with the current month.

The on-peak period billing demand will be the higher of:

- A. The highest measured demand during the on-peak hours; or,
- B. 100% of the highest measured on-peak demand established in the billing months of June through September in the twelve (12) month period ending with the current month.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 26

PETROLEUM REFINERY SERVICE RATE

APPLICABILITY

This rate schedule is available to Customers operating petroleum refining facilities whose highest measured demand, as defined by the Determination of Billing Demand, exceeds 3,000 kilowatts (kW).

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule shall be alternating current 60 hertz, three phase at a transmission voltage of not less than 115,000 volts. All service will be taken at one point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MONTHLY RATES

Customer Charge (per meter per month)		\$684.00
Transmission Voltage	Summer (June through September)	Winter (October through May)
Demand Charge per kW	\$20.49	\$16.30
Energy Charge per kWh	\$0.00825	\$0.00825

MONTHLY MINIMUM CHARGE

The monthly minimum charge will be the Customer Charge plus the applicable Demand Charge plus any applicable Facility Charge.

FACILITY CHARGE

The Facility Charge shall be made for necessary construction costs incurred by the Company on behalf of the Customer. The amount and duration of the Facility Charge shall be determined by separate agreement between the Company and the Customer as part of the applicable facility construction.

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SCHEDULE NO. 26
PETROLEUM REFINERY SERVICE RATE

DETERMINATION OF BILLING DEMAND

Maximum demand is defined as the highest measured thirty (30) minute average kW load.

The billing demand will be the highest of:

- A. 3,000 kW; or,
- B. The maximum demand; or,
- C. 65% of the highest measured demand established during the billing months of June through September in the twelve (12) month period ending with the current month.

The Company may refuse service to another customer at the same address when service is terminated to avoid or evade payment of the minimum demand charges as set forth in this rate schedule.

POWER FACTOR ADJUSTMENT

Effective April 1, 2011, if the power factor at the time of the highest measured thirty (30) minute interval kW demand for the entire plant is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = $((kW \times .95 / PF) - kW) \times DC$, where
ADJ = Increase to applicable Demand Charge,
kW = Monthly Measured Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge

FIXED FUEL FACTOR

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

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 26

PETROLEUM REFINERY SERVICE RATE

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.

Specific terms applicable to service under this rate schedule are as covered in various written agreements pursuant to such service.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 28

AREA LIGHTING SERVICE RATE

APPLICABILITY

This rate schedule is available to Customers who desire overhead outdoor lighting service under the conditions specified herein.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule is contracted for by the Customer for overhead lighting service from outdoor, all-night, automatically controlled, standard mercury vapor (refer to Mercury Vapor Closed to New Installations and Conversion/Replacement of Existing Installations section of this rate schedule), high pressure sodium vapor, and metal halide luminaire units mounted on Company-owned wood poles.

MONTHLY RATES

**MERCURY VAPOR * – OVERHEAD SYSTEM
COMPANY-OWNED WOOD POLE**

	Total Wattage	Per Single Fixture Charge
175W – 7,000 Lumen – 35 FT (CLOSED)	195	\$13.16
250W – 11,000 Lumen – 35 FT (CLOSED)	275	\$14.91
400W – 20,000 Lumen – 35 FT (CLOSED)	460	\$18.87

* Refer to Mercury Vapor Closed to New Installations and Conversion/Replacement of Existing Installations section of the tariff.

**HIGH PRESSURE SODIUM VAPOR – OVERHEAD SYSTEM
COMPANY-OWNED WOOD POLE**

	Total Wattage	Per Single Fixture Charge
100W – 8,500 Lumen – 35 FT	124	\$11.70
150W – 14,400 Lumen – 35 FT	193	\$13.19
250W – 23,200 Lumen – 35 FT	313	\$15.70
400W – 50,000 Lumen – 35 FT	485	\$19.41

**HIGH PRESSURE SODIUM VAPOR FLOODLIGHT
ON EXISTING WOOD POLE (DISTRIBUTION OR LIGHTING)**

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SCHEDULE NO. 28

AREA LIGHTING SERVICE RATE

	Total Wattage	Per Single Fixture Charge
100W – 9,500 Lumen	137	\$7.45
250W – 27,500 Lumen	330	\$11.27
400W – 50,000 Lumen	490	\$14.62
1000W – 119,500 Lumen	1,103	\$28.47

**METAL HALIDE FLOODLIGHT ON EXISTING WOOD POLE
(DISTRIBUTION OR LIGHTING)**

	Total Wattage	Per Single Fixture Charge
400W – 38,000 Lumen 35' Pole (CLOSED)	490	\$16.31
1000W – 115,000 Lumen 35' Pole	1,100	\$28.55

**HIGH PRESSURE SODIUM VAPOR FLOODLIGHT
WITH NEW COMPANY WOOD POLE**

	Total Wattage	Per Single Fixture Charge
100W – 9,500 Lumen 35' Pole	137	\$12.32
250W – 27,500 Lumen 35' Pole	330	\$16.38
400W – 50,000 Lumen 35' Pole	490	\$19.74
1000W – 119,500 Lumen 35' Pole	1,103	\$36.33
1000W – 119,500 Lumen 45' Pole	1,103	\$37.51

**METAL HALIDE FLOODLIGHT
WITH NEW COMPANY WOOD POLE**

	Total Wattage	Per Single Fixture Charge
400W – 38,000 Lumen 35' Pole (CLOSED)	490	\$25.59
1000W – 115,000 Lumen 35' Pole	1,100	\$37.81
1000W – 115,000 Lumen 45' Pole	1,100	\$38.99

FACILITIES PROVIDED

The Company will install a 30-foot wood pole, luminaire and necessary equipment and extend overhead secondary wiring up to 125 feet where necessary. The Company will own, operate and maintain the installation. Facilities necessary to provide lighting in addition to above will be paid for by the Customer and billed under the applicable rate schedule. All facilities installed by the Company will remain the property of the Company.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 28

AREA LIGHTING SERVICE RATE

The Company has the option to not install poles and/or luminaires in areas inaccessible to Company vehicles.

**MERCURY VAPOR CLOSED TO NEW INSTALLATIONS AND CONVERSION /
REPLACEMENT OF EXISTING INSTALLATIONS**

Mercury Vapor lamp categories are closed to new installations. The Company will continue to maintain existing Mercury Vapor installations and will, at the Company's option, install High Pressure Sodium Vapor ballasts in place of defective non-repairable Mercury Vapor ballasts. Customers with existing fixtures which are defective and must be replaced will have the option to convert its service to high pressure sodium vapor lamps or may cancel service at no cost.

Mercury Vapor Fixture Replacement Schedule

For Company-owned lights, when existing mercury vapor fixtures require replacement, the Company will make such replacements with comparable high pressure sodium vapor lighting at no cost, as specified below:

Existing Mercury Vapor Lighting			High Pressure Sodium Vapor Replacement		
Wattage	Lumens	kWh	Wattage	Lumens	kWh
195	7,000	70	124	8,500	44
275	11,000	98	313	23,200	112
460	20,000	164	313	23,200	112

At the time of the replacement, the Customer will be billed at the applicable rate charge and associated kWh usage for the high pressure sodium vapor replacement lighting.

Mercury Vapor Fixture Conversion Or Replacement Of Existing Facilities

Upon the request of the Customer, the Company will convert or replace existing Company owned mercury vapor lighting to applicable Company offered street lighting options other than those indicated above.

Upon the request of and payment by the Customer, the Company will convert existing Company owned facilities (size or type of luminaire) to a different applicable Company offered size or type of luminaire at an amount equal to all applicable costs less the salvage value of the existing facilities.

Upon the request of and payment by the Customer, the Company will replace existing Company owned lighting facilities at an amount equal to all applicable costs less the

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SCHEDULE NO. 28

AREA LIGHTING SERVICE RATE

salvage value of the existing facilities. Installation of new facilities requested by the Customer will be performed pursuant to the applicable Schedule and lamp category described above.

FIXED FUEL FACTOR

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

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

The initial Term of Contract for service under this rate schedule shall be not less than two (2) years. Specific terms applicable to service under this rate schedule are as covered in various written agreements pursuant to such service.

The Company reserves the right to remove all equipment furnished under this rate schedule, after issuance of disconnect notice, and void the contract if in the opinion of the Company, there is excessive breakage or vandalism of its facilities.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 30

ELECTRIC FURNACE RATE

APPLICABILITY

This rate schedule is closed to new service applications from new or existing Customers taking initial service after May 1, 1980.

This rate schedule is available for lighting and power service to customers with electric furnaces for metal melting where an individual furnace has a name plate rating of 5,000 kilowatts (kW) or more.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule shall be at a transmission voltage of 69,000 volts or higher. The Customer shall furnish and maintain any transformers, regulating equipment and devices required for the furnace operation. All service will be taken at one point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MONTHLY RATE

Customer Charge (per meter per month)		\$240.00
Transmission Voltage	Summer (June through September)	Winter (October through May)
Demand Charge per kW	\$15.11	\$10.92
Energy Charge per kWh		
On-Peak Period	\$0.17068	-----
Off-Peak Period	\$0.00775	\$0.00775

The on-peak period shall be from 12:00 P.M. through 6:00 P.M., Mountain Daylight Time, Monday through Friday for the months of June through September. The off-peak period shall be all other hours not covered in the on-peak period.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 30

ELECTRIC FURNACE RATE

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the applicable Demand Charge.

In the event the Customer has signed a contract for firm demand in conjunction with interruptible power service, then the monthly demand to be billed under this rate schedule shall be that amount specified in the power sales agreement for firm demand.

DETERMINATION OF BILLING DEMAND

Maximum demand is defined as the highest measured thirty (30) minute average kW load.

The billing demand will be the highest of:

- A. 5,000 kW; or,
- B. The maximum demand; or,
- C. 65% of the highest measured demand established during the billing months of June through September in the twelve (12) month period ending with the current month.

POWER FACTOR ADJUSTMENT

Effective April 1, 2011, if the power factor at the time of the highest measured thirty (30) minute interval kW demand for the entire plant is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = $((kW \times .95 / PF) - kW) \times DC$, where
ADJ = Increase to applicable Demand Charge,
kW = Monthly Measured Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge.

FIXED FUEL FACTOR

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

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 30

ELECTRIC FURNACE RATE

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

Specific terms applicable to service under this rate schedule are as covered in various written agreements pursuant to such service.

The Term of Contract under this rate schedule shall be not less than five (5) years.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 31

MILITARY RESERVATION SERVICE RATE

APPLICABILITY

This rate schedule is available for lighting and power service to the United States Department of Defense for electric service to the Fort Bliss Military Reservation for a minimum contract capacity of 15,000 kilowatts (kW).

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be alternating current 60 hertz, three phase at the transmission voltage of 115,000 volts. All service will be taken at the point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

MONTHLY RATES

Customer Charge (per meter per month)		\$820.00
Transmission Voltage	Summer (June through September)	Winter (October through May)
Demand Charge per kW	\$20.21	\$16.02
Energy Charge per kWh		
On-Peak Period	\$0.12181	-----
Off-Peak Period	\$0.00775	\$0.00775

The on-peak period shall be from 12:00 P.M. through 6:00 P.M., Mountain Daylight Time, Monday through Friday for the months of June through September. The off-peak period shall be all other hours not covered in the on-peak period.

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge plus the applicable Demand Charge.

If the Customer has signed a power sales agreement for firm demand in conjunction with interruptible power service, then the monthly demand to be billed under this rate schedule shall be that amount specified in the power sales agreement for firm demand.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 31

MILITARY RESERVATION SERVICE RATE

DETERMINATION OF BILLING DEMAND

Maximum demand is defined as the highest measured thirty (30) minute average kW load. The measured demand will be adjusted for billing when the Metering Adjustment clause is applicable.

The billing demand will be the highest of:

- A. 15,000 kW; or,
- B. The maximum demand, adjusted per the metered adjustment provision; or,
- C. The demand used for billing shall never be less than 65% of the highest measured demand (adjusted for the Metering Adjustment clause) established during the billing months of June through September in the twelve (12) month period ending with the current month, nor less than the minimum contract capacity.

METERING ADJUSTMENT

- A. Company metering equipment is installed on the low voltage (14.4 KV) side of substation transformation, therefore, for billing purposes, (1) the metered kW demands shall be increased by 1.035% and (2) the metered kWh usages shall be increased by 0.825%. For purposes of this adjustment, the Ben Milam School kW demand and kWh usage shall be subtracted from the Fort Bliss kW demand and kWh usage before the adjustment.
- B. Ben Milam School. Ben Milam School is located within the Fort Bliss Military Reservation but is a school of the El Paso Independent School District. Presently, Ben Milam School is serviced through Fort Bliss facilities. To compensate Fort Bliss for this usage, the Company shall deduct from Fort Bliss' demand billing, Ben Milam's actual measured demand and energy each month.

POWER FACTOR ADJUSTMENT

Effective April 1, 2011, if the power factor at the time of the highest measured thirty (30) minute interval kW demand for the entire plant is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = $((kW \times .95 / PF) - kW) \times DC$, where
ADJ = Increase to applicable Demand Charge,
kW = Monthly Measured Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 31

MILITARY RESERVATION SERVICE RATE

FIXED FUEL FACTOR

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

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.

Specific terms applicable to service under this rate schedule are as covered in various written agreements pursuant to such service.

The Term of Contract under this rate schedule shall not be less than two (2) years.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 33

ECONOMIC DEVELOPMENT RATE RIDER

APPLICABILITY

This rate schedule is available for the additional maximum demand of an existing Customer or for the total maximum demand of a new Customer. The minimum monthly billing demand for any Customer to be eligible for service under this rate schedule must be at least 500 kilowatts (kW). This rate schedule is only available to Customers who take service under Rate Schedules No. 15 Electrolytic Refining Service, No. 24 General Service, No. 25 Large Power Service, No. 26 Petroleum Refinery Service and No.30 Electric Furnace Rate. The availability of this rate schedule will be limited to 150 MW of total applicable demand for all participating Customers at any one time. Participation will be based upon the date on which Customers complete all requirements for participation.

This rate schedule is available for the additional demand of existing businesses or new businesses and industries in the following targeted sectors:

- Basic manufacturing industries, for example, industries which manufacture a product for sale or resale, but does not include construction;
- Regional warehousing and distribution facilities;
- Scientific and industrial research and development facilities;
- Corporate relocations to the Company's service area, where the Corporation takes electric service in its own name;
- Correctional facilities; and
- Non-retail facilities receiving tax abatements.

New and existing customers taking service under this rate schedule and not qualifying under the Load Retention Applicability Provision must permanently increase employment by a minimum of two (2) full-time employees per 100 kW of new or additional load. The customer must furnish the Company a notarized affidavit from an officer, owner or other appropriate official of the Customer identifying the number of Qualifying Employees directly associated with the new or increased connected load. The Customer must also furnish the Company similar affidavits stating the actual number of Qualifying Employees as of December 31 of each year that this rate schedule is in effect. Such subsequent written affidavits will be submitted to the Company no later than January 31 of the following year.

Customers not qualifying under the Load Retention Provision must also furnish the Company with a notarized affidavit from an officer, owner, or other official responsible for the decision that resulted in the new load or addition thereto, confirming that availability of this rate schedule was an important contributing factor in the Customer's decision to add the new or additional load. The Company reserves the right to verify the statements included in each Customer's affidavit.

This rate schedule is not available to Customers who have another source of power which

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SCHEDULE NO. 33

ECONOMIC DEVELOPMENT RATE RIDER

can be substituted for the Company's service unless the other source of power is maintained solely for use in case of interruption of Company's service.

LOAD RETENTION APPLICABILITY PROVISION

This rate schedule is also available to Customers that have taken service from the Company for a period of at least twelve (12) consecutive months, have a minimum monthly demand of at least 500 kW and are served under the rate schedules identified above, which meet the following criteria:

1. The Customer must provide notice to the Company that they will request termination of electrical service for either all or a portion of their load or demonstrate that they will leave the Company's system, or discontinue or curtail operations for financial reasons, and
2. The Customer must submit a notarized affidavit from an officer, owner or other appropriate official of the Customer that attests to the fact that but for the Economic Development Rate Rider, the Customer will discontinue or curtail operations or relocate operations outside the Company's service territory. The Company reserves the right to verify the statements included in a Customer's affidavit.

Customers that qualify under this provision are not required to meet any employment requirements.

TERRITORY

Texas Service Area

TYPE OF SERVICE

The type of service available will be determined by the Company and will normally be single or three phase, at the option of the Company, and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company and will be measured by a single meter of each kind needed.

DEFINITION OF BASE PERIOD

For an existing Customer, the "Base Period" will be the twelve (12) months immediately preceding the month that service is requested under this rate schedule. For an existing Customer that does not qualify under the Load Retention Provision, the monthly measured demands for the Base Period will be used to determine the additional demand to be billed under this rate schedule. In the event an existing Customer installs energy efficiency measures that reduce its demands, the monthly measured demands for the Base Period

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ECONOMIC DEVELOPMENT RATE RIDER

will be adjusted to compensate for any such verified demand reduction. For Load Retention Provision Customers, the monthly measured demands for the Base Period will be used to determine the maximum demand to which the demand credit is applied.

DEFINITION OF FULL-TIME EMPLOYMENT

"Full-time employment" is that employment existing at the end of the Base Period for those whose employment has been regularly scheduled for at least 1,500 hours during the Base Period for the purpose of normal operations. Full-Time Employment for new Customers will be mutually agreed upon between the Company and the Customer. Employment verification procedures will be mutually agreed upon between the Company and the Customer.

MONTHLY RATE

The Company may enter into negotiations with the Customer for a mutual agreement to establish lower rates not less than the Company's incremental cost of power and energy as estimated over the term of the agreement.

The rates pursuant to the agreement will be applied to the additional maximum demand for Customers not qualifying under the Load Retention Provision.

For Customers qualifying under the Load Retention Provision, rates pursuant to the agreement will be applied to the lesser of the demands during the Base Period or the amount of at-risk load identified in the affidavit provided by the Customer.

If applicable, sufficient documentation of the cost estimates used in determining the economic feasibility of an alternative generation source shall be provided to the Company for the Company's review.

The Company, at its option, will annually review its incremental cost of providing service to a contracted Load Retention Customer to determine if such costs exceed the Customer's contracted charges. Should the incremental costs exceed the Customer's contracted rate, the Company will adjust the charge to be above or equal to the incremental cost.

The negotiated agreement shall be subject to review and approval by the appropriate regulatory authority and verification by the Public Utility Commission of Texas (PUCT), pursuant to PURA Section 36.007, which requires that the Company's allocable costs of serving a Customer paying discounted rates are not borne by the Company's other Customers.

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SCHEDULE NO. 33

ECONOMIC DEVELOPMENT RATE RIDER

TERMS AND CONDITIONS

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

A new Customer that has not established a prior service history with the Company will be classified under the appropriate rate schedule in accordance with a demand estimate performed by the Company.

Existing businesses which change ownership, location or name do not qualify as new Customers. Those businesses must assume the same Base Period kW as though they were continuing businesses since neither new jobs nor new capital investment are created in the Company's service territory. Those businesses may qualify for the Economic Development Rate Rider as any other existing business does. If a business ceases to exist and the premises are occupied by a new owner and a new business is opened, it may qualify as a new Customer. The designation as a new Customer shall be determined by the Company, subject to the Customer's right to seek PUCT review of such determination.

In the event the maximum monthly demand of an existing Customer that does not qualify under the Load Retention Provision falls below the base period monthly maximum demand, Schedule Nos. 15, 24, 25, 26, or 30, as applicable, will prevail. If the maximum monthly demand of an existing Customer that does not qualify under the Load Retention Provision falls below the Base Period monthly maximum demand, the contract between the Company and the Customer will be void and the Customer will take service under Schedule Nos. 15, 24, 25, 26, or 30, as applicable.

The Company retains the right to modify specific Customer contracts, with notice, so as to insure compliance with PUCT regulation.

The Company retains the right to modify this rate schedule, with notice and upon Commission approval, as economic conditions in its Texas service area dictate.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 34

COTTON GIN SERVICE RATE

APPLICABILITY

This rate schedule is available to cotton gins for the purchase of their entire power requirements from the Company and is applicable to electric service furnished to the cotton gin other than separately metered lighting and miscellaneous office electric load furnished to the cotton gin.

The separately metered lighting and miscellaneous office electric load will be billed under the applicable rate schedule.

The Customer's operating season will start September 1st of each year or such later date as the Customer first takes service. The operating season shall not be for a period of less than three (3) months, and the season shall not last longer than eight (8) months or April 30th of the following year, whichever comes first. Service taken during any time other than the regular operating season will be billed on the applicable rate schedule.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at the 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.

MONTHLY RATES

Customer Charge (Payable in three installments beginning with the first month of the operating season as defined above)	\$474.00
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Demand and Energy Charges	Summer (September - October)	Winter (November - April)	Out of Season (May - August)
Monthly Demand Charge per kW	\$14.10	\$14.10	see applicable rate schedule
Monthly Energy Charge per kWh	\$0.05303	\$0.03303	

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 34

COTTON GIN SERVICE RATE

DETERMINATION OF BILLING DEMAND

Maximum demand will be defined as the highest measured thirty (30) minute average kW load in the preceding twelve (12) month period ending with the current month. Billing demand will be the maximum demand.

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 38

NOTICED INTERRUPTIBLE POWER SERVICE

APPLICABILITY

This rate schedule is closed to new customers.

This rate schedule is available to Customers with total connected capacity requirements of at least 2,500 kilowatts (kW), and at the sole discretion of the Company and only when the Company has available capacity in excess of its firm system requirements. The minimum level of firm demand to be required from qualifying customers is 1,500 kW.

Noticed Interruptible Power Service is available under this rate schedule only if the utilization of this service is of such character that the service is capable of being interrupted at any time, upon the Company's request, without damage to property or persons and without adversely affecting the public's health, safety and welfare. This rate schedule is not available for standby, temporary, resale or interruptible service not in conjunction with firm service under other applicable rate schedules.

At the Customer's expense, the Customer will install all necessary communication, relay and breaker equipment to qualify for service under this rate schedule, subject to Company approval. The Customer will pay for the associated hardware costs.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at the 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.

MONTHLY RATES

	Secondary Voltage	Primary Voltage	Transmission Voltage
Demand Charge per kW	\$4.63	\$4.19	\$2.22
Energy Charge per kWh	\$0.00458	\$0.00448	\$0.00434

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 38

NOTICED INTERRUPTIBLE POWER SERVICE

DETERMINATION OF BILLING DEMAND AND ENERGY

Maximum demand will consist of both firm and interruptible demand, and will be defined as the highest thirty (30) minute average kW load determined by measurement.

The Total Billing Demand will be the maximum demand. In no event shall Total Billing Demand be less than the Minimum Firm Contract Capacity specified in the Contract for Power Service.

Firm Power Billing Demand shall be the lesser of (1) the Total Billing Demand or (2) the Contract Firm Power Demand established in the Contract for Power Service, but not less than the Minimum Firm Contract Capacity specified in the Contract for Power Service.

Firm Power Billing Demand as defined herein shall constitute the "demand used for billing" under the Customer's firm service rate schedule, and shall be billed in accordance with the rate schedule applicable to the Customer's firm service. Noticed Interruptible Power Billing Demand shall be determined as Total Billing Demand minus Firm Power Billing Demand, and shall be billed in accordance with this rate schedule.

Firm Energy shall be determined by multiplying the ratio of the Firm Power Billing Demand to the Total Billing Demand times the metered kWh. Firm Energy shall be billed in accordance with the rate schedule applicable to the Customer's firm service. Noticed Interruptible Energy shall be the difference between the metered kWh and the Firm Energy. Noticed Interruptible Energy shall be billed in accordance with this rate schedule.

CONTRACT FOR SERVICE

A Contract for Power Service ("Contract") must be executed between the Company and the Customer prior to taking service under this rate schedule. The Contract shall establish the amount of the Customer's demand that shall be served as firm demand. All demand in excess of the amount of firm demand specified in the Contract shall constitute interruptible demand and shall be served and billed on that basis. The Contract term shall be for an initial period of three (3) years, and shall continue year-to-year thereafter until canceled by either party upon one (1) year's prior written notice. The amount of Contract Firm Power Demand and Minimum Firm Contract Capacity specified in the Contract will supersede and control over any inconsistent level of demand specified in any pre-existing agreement between the Company and the Customer.

The Company reserves the right to terminate service under this rate schedule if the Customer's average monthly load factor drops below 50 percent in any twelve (12)

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SCHEDULE NO. 38

NOTICED INTERRUPTIBLE POWER SERVICE

consecutive month period.

SCHEDULING PROCEDURES

The Company and the Customer shall agree upon detailed procedures for requesting, providing notice of, and implementing interruptions, and shall set forth the same in the Contract for Power Service.

GENERAL CONDITIONS

The Company may make intentional interruptions at any time and from time to time, when emergency conditions exist and at the Company's sole discretion, for up to four hundred (400) hours in any calendar year with individual interruptions limited to no more than six (6) hours per interruption, and no more than two (2) interruptions per week. In the event of an interruption, the Company will provide thirty (30) minute notice prior to interruption. Emergency conditions are deemed to exist at any time, in the sole judgment of the Company, that demands for electricity exceed or are expected to be likely to exceed the Company's available electric supply for whatever reason or reasons including, but not limited to, breakdown of generating units, distribution equipment or other critical facilities; short-term or long-term shortages of fuel or generation, distribution, and other facilities; or requirements or orders of governmental agencies. The Company may not interrupt the Customer (1) due solely to differences in the Company's marginal cost of energy and the energy-related charges for Noticed Interruptible Power Service, or (2) to continue or make non-firm off-system sales.

An hour of interruption shall be any clock-hour or part thereof during which the Company invokes an intentional interruption. The number of hours of interruption remaining during the calendar year for the term of the contract shall be reduced by a minimum of four (4) hours each interruption occasion, even though the actual interruption may last for a lesser period. No more than two (2) interruptions may be required in any calendar week.

Interruptions will be directly controlled by the Company's system operator with the appropriate notice provided to the Customer.

NON-COMPLIANCE

Noticed Interruptible Transmission Power Service is provided to the Customer with the explicit knowledge and understanding that such service shall be subject to curtailment by the Customer with notice from the Company. Failure to comply with the Company's

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SCHEDULE NO. 38

NOTICED INTERRUPTIBLE POWER SERVICE

request for curtailment shall result in the following adjustments to the Customer's billings and service:

1. During a calendar year, the first occasion in which the Customer fails to comply with a request for curtailment shall result in the Customer being billed (or re-billed, if necessary) the entire month at the retail rates currently in effect and otherwise applicable to the Customer ("Retail Rate"); and
2. During the same calendar year, the second occasion in which the Customer fails to comply with a request for curtailment shall result in the Customer being re-billed at the Retail Rate for the period from January 1 of such calendar year through the end of the month in which such second failure occurred (less amounts previously remitted by Customer for such period); and
3. During the same calendar year, the third occasion in which the Customer fails to comply with a request for curtailment shall result in the immediate suspension of service under the Noticed Interruptible Power Service rate, and the Customer will be served and billed for electric service for that entire month and thereafter at the Retail Rate. Additionally, the Customer will be re-billed at the Retail Rate for each month of such calendar year that was not previously billed or re-billed at the Retail Rate under this Non-Compliance section (less amounts previously remitted by the Customer for such period).

Upon the expiration of twelve (12) consecutive months following the date of the third failure to comply, the Customer may reapply for electric service at the Company's then-current noticed interruptible rate schedule. As a condition precedent to the re-establishment of electric service at the Company's then-current interruptible rate schedule, the Customer must demonstrate its ability to comply with the Company's noticed interruptible curtailment requirements prior to establishing a new service agreement under this rate schedule.

POWER FACTOR ADJUSTMENT

Effective April 1, 2011, if the power factor at the time of the highest measured thirty (30) minute interval kW demand for the entire plant is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = ((kW x .95 / PF) – kW) x DC, where
ADJ = Increase to applicable Demand Charge,
kW = Monthly Measured Demand,

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NOTICED INTERRUPTIBLE POWER SERVICE

PF = Monthly measured Power Factor, and
DC = Demand Charge.

FIXED FUEL FACTOR

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

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

During the term of the Customer's Contract for Power Service, Customer may not engage in self-generation other than periodic operation of self-generation facilities for emergency situations or to comply with an interruption request.

Interruptible sales under this rate schedule are non-firm sales and as such are not subject to cost-of-service allocations in any Company rate case.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 41

CITY AND COUNTY SERVICE RATE

APPLICABILITY

This rate schedule is closed to all new service applications.

This rate schedule is limited to all public schools, Kindergarten through 12th grade, and to those municipal and county customer service points currently taking service under this rate schedule. No reconnections of existing service points, new customers, or new service points shall be allowed to take service under this rate schedule.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will be either single or three phase at the option of the Company and at a standard Company approved voltage. All service will be 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.

MONTHLY RATES

STANDARD MONTHLY RATES

Customer Charge (per meter per month)	\$18.82	
Secondary Voltage	Summer	Winter
Demand Charge per kW in excess of 15 kW	\$20.15	\$16.73
Energy Charge per kWh		
First 3,000 kWh	\$0.10817	\$0.09071
All additional kWh	\$0.02957	\$0.01211
Primary Voltage	Summer	Winter
Demand Charge per kW in excess of 15 kW	\$18.82	\$15.40
Energy Charge per kWh		
First 3,000 kWh	\$0.10594	\$0.08884
All additional kWh	\$0.02896	\$0.01185

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SCHEDULE NO. 41
CITY AND COUNTY SERVICE RATE

The Summer period shall be the months of May through October and the Winter period shall be the months of November through April.

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge.

DETERMINATION OF BILLING DEMAND

Maximum demand is defined as the highest measured thirty (30) minute average kilowatt (kW) load. Billing demand will be the maximum demand.

NON-METERED SERVICE

In instances when metering of energy would be impractical because of the low monthly level of usage and where estimates of this usage can be accurately calculated, the Company may, at its option, provide non-metered service. Billings for non-metered service shall be based on the customer charge plus the monthly energy usage calculated by the Company and applied to the energy charge of this rate schedule. All other approved factors are also applicable.

The Customer is responsible for notifying the Company of additions of equipment served under the Non-Metered Service provision. Failure to provide notice will result in a billing adjustment calculated by the Company. The billing adjustment will be equal to six (6) months billing based on the calculated monthly consumption of the non-metered load.

THERMAL ENERGY STORAGE RIDER

This rider is closed to all new service applications.

Available to public schools, Kindergarten through 12th grade, with separately metered Thermal Energy Storage (TES) Systems whose maximum demand does not exceed the maximum demand of the building following completion of the necessary contract arrangements and installation of the necessary metering equipment. The billing demand for this separately metered load will be the highest measured thirty (30) minute average kW load established during the on-peak period.

The on-peak period shall be from 12:00 P.M. through 6:00 P.M., Mountain Daylight Time, Monday through Friday. The off-peak period shall be all other hours not covered in the on-peak period.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 41

CITY AND COUNTY SERVICE RATE

No other options or riders are applicable to consumption covered under this rider. Both separately metered TES systems and total building loads must be served under this rate schedule.

METER VOLTAGE ADJUSTMENT

If electric service is delivered on the high voltage side of a Customer-supplied transformer, but metered on the low voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum kW Demand = Metered Maximum kilowatts multiplied by 1.014
Billing kilowatt-hours = Metered kilowatt-hours multiplied by 1.020

If electric service is delivered on the low voltage side of a Company-owned transformer and metered on the high voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum kW Demand = Metered Maximum kilowatts divided by 1.014
Billing kilowatt-hours = Metered kilowatt-hours divided by 1.020

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

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EL PASO ELECTRIC COMPANY
SCHEDULE NO. 41
CITY AND COUNTY SERVICE RATE

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.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 45

**SUPPLEMENTARY POWER SERVICE
FOR QUALIFYING FACILITIES**

APPLICABILITY

This rate schedule is available to Qualifying Facilities and to Customers taking service from a third party Qualifying Facility which qualifies as a small power production facility or a cogeneration facility as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978. Pursuant to 18 CFR Part 292.204(a), a qualifying power production facility is "small" when it does not exceed 80 megawatts.

The Customer will furnish the Company such data as required by the Company to determine that the Customer meets the requirements for qualification.

The facility may be connected for (1) parallel operation with the Company's service, or (2) isolated operation with Supplementary Power Service provided by the Company by means of a double-throw switch.

TERRITORY

Texas Service Area

TYPE OF SERVICE

All service will be taken at one 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.

Supplementary power is defined as the electric energy and/or capacity regularly used by a Customer in addition to the energy and capacity supplied by a Qualifying Facility.

SUPPLEMENTARY POWER SERVICE RATE

The Supplementary Power Service Rate shall be the retail rates currently in effect and applicable to the Customer having power requirements equal to the supplementary power requirements of the Qualifying Facility.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 45

**SUPPLEMENTARY POWER SERVICE
FOR QUALIFYING FACILITIES**

COMMON PROVISIONS

Interconnection Charge:

Customers on this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, engineering and administrative costs incurred by the Company related to the installation of the physical facilities necessary to permit interconnected operations with a Qualifying Facility, to the extent such costs are in excess of the costs that the Company would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy or capacity itself or purchased an equivalent amount of electric energy or capacity from other sources.

The Company shall provide a detailed estimate of the cost of interconnection within thirty (30) days of receipt of the approved written application for interconnection. The Customer shall pay the full amount of the estimated interconnection costs at the time notice to interconnect is provided to the Company. Upon completion of the interconnection, the actual costs of interconnection shall be computed by the Company and reimbursements for the difference between the actual and estimated cost of interconnection, if any, shall be made to the appropriate party.

In addition, Customers with a design capacity greater than 100 kilowatts (kW) shall pay an annual charge of 4.5857% of the capital costs of interconnection to provide for the recovery of property taxes, revenue related taxes, depreciation expense, and operation and maintenance expenses. The annual charge of 4.5857% is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month.

METERING EQUIPMENT

The Company will install, own and maintain all meters and metering equipment. The Customer will install Company approved meter sockets and metering cabinets.

The Company may install, at its expense, on the Customer's premises, load research metering. The Customer shall supply, at no expense to the Company, a suitable location for meters and associated equipment used for billing and for load research.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 45

**SUPPLEMENTARY POWER SERVICE
FOR QUALIFYING FACILITIES**

POWER FACTOR ADJUSTMENT

Effective April 1, 2011, if the power factor at the time of the highest measured thirty (30) minute interval kW demand for the entire plant is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = $((kW \times .95 / PF) - kW) \times DC$, where
ADJ = Increase to applicable Demand Charge,
kW = Monthly Measured Demand,
PF = Monthly Measured Power Factor, and
DC = Demand Charge

FIXED FUEL FACTOR

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

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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. The contract provisions applicable to service under this rate schedule shall also apply.

This rate schedule shall be binding upon the Company and the Customer for a period conterminous with the interconnection agreement; provided, however, that the Customer may terminate service provided under this rate schedule at any time during such term by providing the Company with written notice at least one (1) year prior to the effective date

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SCHEDULE NO. 45

SUPPLEMENTARY POWER SERVICE
FOR QUALIFYING FACILITIES

of such termination. Any change in this rate schedule approved by a regulatory authority with the requisite jurisdiction, shall become effective upon such approval and remain in force until the expiration of the term of this rate schedule or the termination by Customer in accordance with the requirements herein contained, whichever event occurs first in time. The service supplied hereunder is to be used exclusively within the premises of the Customer, as described in the Customer's application for service.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 46

MAINTENANCE POWER SERVICE
FOR QUALIFYING FACILITIES

APPLICABILITY

This rate schedule is available to Qualifying Facilities and to Customers taking service from a third party Qualifying Facility which qualifies as a small power production facility or a cogeneration facility as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978. Pursuant to 18 CFR Part 292.204(a), a qualifying power production facility is "small" when it does not exceed 80 megawatts.

Maintenance power shall be available to Qualifying Facilities for a maximum period of sixty (60) days per year, coordinated with and scheduled outside of the designated peak months of the Company.

The Customer will furnish to the Company such data as required by the Company to determine that Customer meets the requirements for qualification.

The facility may be connected for (1) parallel operation with the Company's service, or (2) isolated operation with Maintenance Power Service provided by the Company by means of a double-throw switch.

This rate schedule is applicable to use of service for maintenance power service for energy and/or capacity supplied by the Company on a scheduled basis to Qualifying Facilities during an outage scheduled by the Customer for the purpose of performing maintenance to its Qualifying Facilities, subject to the special provisions of this rate schedule.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be taken at one 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.

Maintenance power is defined as the electric energy or capacity supplied by the Company during scheduled outages of the Qualifying Facility to replace energy and/or capacity ordinarily supplied by the Qualifying Facility.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 46

**MAINTENANCE POWER SERVICE
FOR QUALIFYING FACILITIES**

MAINTENANCE POWER SERVICE RATE

The Maintenance Power Service rate shall be the retail rates currently in effect and applicable to the Customer absent its Qualifying Facility generation. No demand ratchet will apply to this service.

DELIVERY SERVICE CHARGE

A delivery service charge will be billed to the Customer during the months that maintenance power service is not utilized by the Qualifying Facility. The delivery service charge shall be:

Delivery Service Charge Per kW of Contract Capacity	Connected Load Up To 600 kW	Connected Load In Excess of 600 kW
Secondary Delivery	\$4.50	\$3.20
Primary Delivery	\$3.28	\$2.46

The charge shall be less any Delivery Service Charges applied pursuant to the provisions of the Company's Rate Schedule No. 47, Backup Power Service for Qualifying Facilities or Rate Schedule No. 51, Interruptible Power Service for Qualifying Facilities, but not less than zero.

DETERMINATION OF DEMAND CHARGE

The Maintenance Power Service demand charge shall be determined by multiplying the applicable retail demand charge by the ratio of the number of days in which the maintenance power was taken to the number of days in the billing month.

DETERMINATION OF CONTRACT CAPACITY

The contract capacity for the purpose of this rate schedule shall be the amount of capacity, expressed in kilowatts (kW), requested by the Customer or the measured kW output of the Customer's Qualifying Facilities that the Customer requests the Company to provide for Maintenance Power Service. When a higher kW demand for Maintenance Power Service is established, the higher kW load shall become the new contract capacity for that month and for each month thereafter, unless and until exceeded by a still higher kW demand which in turn shall be subject to the foregoing conditions.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 46

MAINTENANCE POWER SERVICE
FOR QUALIFYING FACILITIES

COMMON PROVISIONS

Interconnection Charge:

Customers on this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, engineering and administrative costs incurred by the Company related to the installation of the physical facilities necessary to permit interconnected operations with a Qualifying Facility, to the extent such costs are in excess of the costs that the Company would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy or capacity itself or purchased an equivalent amount of electric energy or capacity from other sources.

The Company shall provide a detailed estimate of the cost of interconnection within thirty (30) days of receipt of the approved written application for interconnection. The Customer shall pay the full amount of the estimated interconnection costs at the time notice to interconnect is provided to the Company.

Upon completion of the interconnection, the actual costs of interconnection shall be computed by the Company and reimbursements for the difference between the actual and estimated cost of interconnection shall be made to the appropriate party. In addition, customers with a design capacity greater than 100 kW shall pay an annual charge of 4.5857% of the capital costs of interconnection to provide for the recovery of property taxes, revenue related taxes, depreciation expense, and operation and maintenance expenses. The annual charge of 4.5857% is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month.

POWER FACTOR ADJUSTMENT

Effective April 1, 2011, if the power factor at the time of the highest measured thirty (30) minute interval kW demand for the entire plant is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = $((kW \times .95 / PF) - kW) \times DC$, where
ADJ = Increase to applicable Demand Charge,
kW = Monthly Measured Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 46

**MAINTENANCE POWER SERVICE
FOR QUALIFYING FACILITIES**

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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. The contract provisions applicable to service under this rate schedule shall also apply.

This rate schedule shall be binding upon the Company and the Customer for a period conterminous with the interconnection agreement; provided, however, that the Customer may terminate service provided under this rate schedule at any time during such term by providing the Company with written notice at least one (1) year prior to the effective date of such termination and the Company may terminate in accordance with regulatory regulations. Any change in this rate schedule approved by a regulatory authority with the requisite jurisdiction, shall become effective upon such approval and remain in force until the expiration of the term of this rate schedule or the termination by the Customer in accordance with the requirements herein contained, whichever event occurs first in time. The service supplied hereunder is to be used exclusively within the premises of the Customer, as described in the Customer's application for service.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 46

MAINTENANCE POWER SERVICE
FOR QUALIFYING FACILITIES

SPECIAL PROVISIONS

- A. All maintenance power service supplied by the Company that has not been scheduled with the Company and approved by the Company through prior written notice shall be billed under the provisions of Backup Power Service. If this situation occurs more than twice during any consecutive six (6) month period, the Customer shall be required to contract for Backup Power Service in the event that the Customer previously had not contracted for such service.
- B. In the event maintenance occurs during the months of May through October or exceeds a maximum of sixty (60) days in aggregate, the total per calendar year, unless it is agreed to extend Maintenance Power Service, by written request by the Customer and written consent of the Company, such excess use of capacity will be billed as Supplementary Power Service.
- C. A Qualifying Facility shall schedule its maintenance by giving the Company advance notice on the length of the outage as follows:

Pre-Scheduled Maintenance Outage

1 day or less
2 to 5 days
6 to 30 days

Required Advanced Notice

5 calendar days
30 calendar days
90 calendar days

- D. Maintenance Power Service requested during the months of May through October, that is scheduled in advance and agreed to by the Company, shall be billed according to the terms of Maintenance Power Service.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 47

**BACKUP POWER SERVICE
FOR QUALIFYING FACILITIES**

APPLICABILITY

This rate schedule is available to Qualifying Facilities and to Customers taking service from a third party Qualifying Facility which qualifies as a small power production facility or cogeneration facility as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978. Pursuant to 18 CFR Part 292.204(a), a qualifying power production facility is "small" when it does not exceed 80 megawatts.

The Customer will furnish to the Company such data as required by the Company to determine that the Customer meets the requirements for qualification.

The facility may be connected for (1) parallel operation with the Company's service, or (2) isolated operation with Backup Power Service provided by the Company by means of a double-throw switch.

This rate schedule is applicable to use of service for Backup Power Service for energy and/or capacity supplied by the Company during an unscheduled outage at a facility qualifying as a "Small Power Production Facility" or as a "Cogeneration Facility" as defined in 292.203 (a) and (b), respectively, of Title 18 of the Code of Federal Regulations (CFR).

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be taken at one 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.

Backup Power Service is defined as electric energy or capacity supplied by the Company during an unscheduled outage of the Qualifying Facility to replace energy or capacity ordinarily supplied by the Qualifying Facility.

BACKUP POWER SERVICE RATE

The Backup Power Service Rate shall be the retail rates currently in effect and applicable to the Customer absent its Qualifying Facility generation. No demand ratchets or power

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 47

**BACKUP POWER SERVICE
FOR QUALIFYING FACILITIES**

factor penalties will apply to this service.

MONTHLY RESERVATION FEE

A monthly reservation fee will be charged in the months that Backup Power Service is not utilized by the Qualifying Facility. The reservation fee will be the retail rates currently in effect and applicable to the Customer absent its Qualifying Facility generation times the greater of ten (10) percent of the monthly contracted capacity demand or the experienced annual Forced Outage Rate (FOR) of the Customer expressed in percentage terms of the Qualifying Facility for the most recent twelve (12) month period ending with the current month times the monthly contracted capacity demand.

DELIVERY SERVICE CHARGE

A delivery service charge will be billed to the Customer during the months that Backup Power Service is not utilized by the Qualifying Facility. The delivery service charges are:

Delivery Service Charge Per kW of Contract Capacity	Connected Load Up To 600 kW	Connected Load In Excess of 600 kW
Secondary Delivery	\$4.50	\$3.20
Primary Delivery	\$3.28	\$2.46

DETERMINATION OF CONTRACT CAPACITY

The contract capacity for the purpose of this rate schedule shall be the amount of capacity, expressed in kilowatts (kW), requested by the Customer or the measured kW output of the Customer's Qualifying Facilities that the Customer requests the Company to provide for Backup Power Service. When a higher kW load for Backup Power Service is established, the higher kW load shall become the new contract capacity for that month and for each month thereafter, unless and until exceeded by a still higher kW load which in turn shall be subject to the foregoing conditions.

COMMON PROVISIONS

Interconnection Charge:

Customers on this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, engineering and administrative costs incurred

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SCHEDULE NO. 47

**BACKUP POWER SERVICE
FOR QUALIFYING FACILITIES**

by the Company related to the installation of the physical facilities necessary to permit interconnected operations with a Qualifying Facility, to the extent such costs are in excess of the costs that the Company would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy or capacity itself or purchased an equivalent amount of electric energy or capacity from other sources.

The Company shall provide a detailed estimate of the cost of interconnection within thirty (30) days of receipt of the approved written application for interconnection. The Customer shall pay the full amount of the estimated interconnection costs at the time notice to interconnect is provided to the Company.

Upon completion of the interconnection, the actual costs of interconnection shall be computed by the Company and reimbursements for the difference between the actual and estimated cost of interconnection, if any, shall be made to the appropriate party. In addition, customers with design capacity greater than 100 kW shall pay an annual charge of 4.5857% of the capital costs of interconnection to provide for the recovery of property taxes, revenue related taxes, depreciation expense, and operation and maintenance expenses. The annual charge of 4.5857% is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month.

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 47

BACKUP POWER SERVICE
FOR QUALIFYING FACILITIES

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. The contract provisions applicable to service under this rate schedule shall also apply.

This rate schedule shall be binding upon the Company and the Customer for a period conterminous with the interconnection agreement; provided, however, that the Customer may terminate service provided under this rate schedule at any time during such term by providing the Company with written notice at least one (1) year prior to the effective date of such termination and the Company may terminate in accordance with regulatory regulations. Any change in this rate schedule approved by a regulatory authority with the requisite jurisdiction, shall become effective upon such approval and remain in force until the expiration of the term of this rate schedule or the termination by the Customer in accordance with the requirements herein contained, whichever event occurs first in time. The service supplied hereunder is to be used exclusively within the premises of the Customer, as described in the Customer's application for service.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 48

**NON-FIRM PURCHASED POWER SERVICE FROM DISTRIBUTED GENERATORS,
DISTRIBUTED RENEWABLE GENERATORS AND QUALIFYING FACILITIES**

APPLICABILITY

This rate schedule is available to customers who generate electrical energy and who wish to interconnect a generating facility in parallel with the Company's system. Service under this rate schedule is contingent upon the acceptance of the Standard Interconnection Agreement.

This rate schedule sets forth a customer charge and applies to non-firm purchases of energy generated by:

1. Qualifying small power production and cogeneration facilities as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978.
2. Distributed renewable generation facilities as defined in the Texas Public Utility Regulatory Act §39.916.

TERRITORY

Texas Service Area

MONTHLY RATE

Customer Charge, payable to the Company by the Customer

\$ 15.00 For customers receiving energy payments under Method A.
\$165.00 For customers receiving energy payments under Method B.

Method A: Energy Payment, payable to the Customer by the Company

For qualifying facilities and distributed renewable generation facilities who provide non-firm energy at a rate of 100 kilowatts (kW) or less, the monthly energy payment rate shall be the lesser of the Company's cost of fuel and purchased power per kilowatt-hour (kWh) for the billing month in which the energy was received or, the Company's avoided energy cost as determined by averaging the Daily Peak and Daily Off-Peak values for one (1) megawatt (MW) from the Estimated Avoided Energy Cost for the current year as filed in the Company's most recent annual filing pursuant to PUCT §25.242 (e)(2)(A).

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 48

**NON-FIRM PURCHASED POWER SERVICE FROM DISTRIBUTED GENERATORS,
DISTRIBUTED RENEWABLE GENERATORS AND QUALIFYING FACILITIES**

Method B: Energy Payment, payable to the Customer by the Company

For Qualifying Facilities and distributed renewable generation facilities who provide non-firm energy at a rate greater than 100 kW, the monthly energy payment rate, payable by the Company, shall be the amount of fuel and purchased power costs per kWh which were avoided by the Company calculated within the three rating periods specified below:

On-Peak Rating Period - For energy purchased from the Qualifying Facility within the weekday hours of 12:00 p.m. to 5:00 p.m. MDT.

Shoulder Rating Period - For energy purchased from the Qualifying Facility within the weekday hours of 8:00 a.m. to 12:00 p.m. MDT or 5:00 p.m. to 9:00 p.m. MDT.

Off-Peak Rating Period - For energy purchased from the Qualifying Facility within the weekday hours of 9:00 p.m. to 8:00 a.m. MDT or on weekends or holidays.

TYPE OF SERVICE

Service available under this rate schedule will be alternating current at one of the Company's standard service voltages, single or three phase, at 60 hertz. The harmonic content of the Customer's generation must not cause interference or equipment problems for the Company or other Company customers. The Company reserves the right to discontinue any Qualifying Facility that causes harmful or annoying voltage fluctuations.

METERING AND SERVICE FACILITIES

The Company will install, own and maintain the meter and metering equipment. The Customer will install customer-furnished meter socket or metering cabinet, or both, at a Company-designated location on the Customer's premises.

The Company, at its expense, may install load research metering equipment on the Customer's premises. The Customer shall supply, at no expense to the Company, a suitable location for meters and associated equipment used for billing and for load research.

The Company will provide those customers with qualifying facilities having a design

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SCHEDULE NO. 48

**NON-FIRM PURCHASED POWER SERVICE FROM DISTRIBUTED GENERATORS,
DISTRIBUTED RENEWABLE GENERATORS AND QUALIFYING FACILITIES**

capacity of 100 kW or less the following metering options:

- A. Metering through two (2) meters with one measuring the Customer's net consumption and the other measuring net production of the Qualifying Facility. Net consumption is the total load of the Customer less the power supplied by the qualifying facility to meet any portion of that load. Net production is the total power supplied by the Qualifying Facility less the power requirements of the Customer.
- B. Metering through two (2) meters with one measuring the Customer's total consumption and the other measuring the total production of the Qualifying Facility.

The Company will provide the additional option of interconnection through a single meter that runs forward and backward for those Customers that are either: 1) an apartment house occupied by low-income elderly tenants that qualifies for master metering under Utilities Code Section 184.012(b) and the distributed renewable generation is reasonably expected to generate not less than 50 percent of the apartment house's annual electricity use; or, 2) have Qualifying Facilities with a design capacity of 50 kW or less and that utilize a renewable energy resource.

This net metering option is available only if the distributed renewable generation or Qualifying Facility is rated to produce an amount of electricity that is less than or equal to: 1) the Customer's estimated annual kWh consumption for a new apartment house or Qualifying Facility; or, 2) the amount of electricity the Customer consumed in the year before installation of the distributed renewable generation or Qualifying Facility. Measured net consumption shall be billed under the standard rate schedule applicable to the Customer. Measured net production shall be purchased in accordance with the provisions of this rate schedule and is limited, on an annual basis, to ten percent of the Customer's annual kWh consumption prior to service under this rate schedule. The Customer will not be assessed the Monthly Customer Charge.

CUSTOMER FACILITIES

The Customer shall design, furnish, install, own, operate and maintain in good order and repair, and at no cost to the Company, facilities such as relays, isolating switch, other necessary switches, synchronizing equipment, control and protective devices designated by the Company as necessary for parallel operation with the Company system to permit safe and practical operation.

The Customer's generation and interconnection facilities shall meet all applicable local

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codes, all applicable provisions of the National Electric Code and the National Electric Safety Code, as such codes now exist or as they may be amended, and all applicable and prudent safety and electrical practice standards.

The Customer's generation equipment shall not be interconnected with the Company's system without the prior written consent of the Company.

INTERCONNECTION COSTS

Customers under this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, engineering and administrative costs incurred by the Company related to the installation of the physical facilities necessary to permit interconnected operations with a Qualifying Facility, to the extent such costs are in excess of the costs that the Company would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy or capacity itself or purchased an equivalent amount of electric energy or capacity from other sources.

The Company shall provide a detailed estimate of the cost of interconnection within four (4) weeks of receipt of the approved written application for interconnection. The Customer shall pay the full amount of the estimated interconnection costs at the time notice to interconnect is provided to the Company.

Upon completion of the interconnection, the actual costs shall be computed by the Company and reimbursements for the difference between the actual and estimated cost of interconnection, if any, shall be made to the appropriate party. In addition, customers with a design capacity greater than 100 kW shall pay an annual charge of 4.5857% of the capital costs of interconnection to provide for the recovery of property taxes, revenue related taxes, depreciation expense, and operation and maintenance expenses. The annual charge of 4.5857% is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month.

OPERATION OF FACILITIES

The Customer shall notify the Company before the initial energizing and start-up testing of the Customer-owned generator and the Company shall have the right to have a representative present at such test.

The Customer shall provide, at all times, ingress and egress to the isolating switch which

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**NON-FIRM PURCHASED POWER SERVICE FROM DISTRIBUTED GENERATORS,
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will isolate the Customer's generation from the Company's electrical system.

The Customer shall permit the Company's agents and employees to enter upon the Customer's property at any reasonable time for the purpose of inspecting or testing the generation and interconnection facilities to ensure continued safe operation and the accuracy of the Company's metering equipment; provided, however, such inspections shall not relieve the Customer from its obligation to maintain the generation and interconnection facilities. The Company shall not, by reason of the inspection, be responsible for the design, adequacy, capacity, operation, or any combination thereof, of the Customer's generating equipment and other customer-owned electrical equipment.

The Company retains the right to require the Customer to limit production of energy to an amount no greater than the Customer's load as electrical operating conditions warrant.

BILLING STATEMENT

The Company shall prepare a monthly statement showing the customer charge, kWh delivered to the Company for the monthly billing period and the total amount due the Customer. The Company shall submit the statement and the net payment, if any, to the Customer approximately twenty (20) working days from the meter reading date.

The Company will normally credit the payments to the Distributed Renewable Generation Customer's monthly electric service bill. If the payment for non-firm energy supplied to the Company exceeds the total of the Customer's monthly electric service bill, a credit balance of not more than \$50.00 will be carried forward to the Customer's next monthly bill. The Company shall refund to the Customer a credit balance that is not carried forward, or the portion of a credit balance that exceeds \$50.00, if the credit balance is carried forward.

INDEMNITY

The provisions of the Indemnity Clause in the Customer's contract for service under this rate schedule will 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. The contract provisions applicable to service under this rate schedule shall also apply.

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NON-FIRM PURCHASED POWER SERVICE FROM DISTRIBUTED GENERATORS,
DISTRIBUTED RENEWABLE GENERATORS AND QUALIFYING FACILITIES

The Company and the Customer shall enter into a written contract for the interconnection and parallel operation of the Customer's generation with the Company's electrical system.

The term of the contract shall not be less than one (1) year.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 49

STATE UNIVERSITY DISCOUNT RATE RIDER

APPLICABILITY

In compliance with the directive of Public Utility Regulatory Act of 1995 (PURA) Section 36.35, this rate discount is available to any facility of any four-year state university or upper-level institution. This rate schedule is only available as a rate discount in conjunction with a Customer's applicable standard rate schedule currently in effect.

TERRITORY

Texas Service Area

MONTHLY BASE RATE DISCOUNT

A discount of 20 percent will be deducted from the base portion of the Customer's applicable rate schedule for electric service. The base portion includes: Customer Charge, Demand Charge, Base Energy Charge, and Power Factor Adjustment (if applicable), and is exclusive of the Fixed Fuel Factor, Energy Efficiency Cost Recovery Factor, and Military Base Discount Recovery Factor.

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 the rate schedules associated with this rider 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 .

For the purpose of this rate schedule, "Customer" includes any facility of any four-year state university or upper-level institution.

The Customer's account with the Company must be in the name of a four-year state university or upper-level institution.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 51

**INTERRUPTIBLE POWER SERVICE
FOR QUALIFYING FACILITIES**

APPLICABILITY

This rate schedule is available to Qualifying Facilities and to Customers taking service from a third party Qualifying Facility which qualifies as a small power production facility or a cogeneration facility as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978. Pursuant to 18 CFR Part 292.204(a), a qualifying power production facility is "small" when it does not exceed 80 megawatts.

The Customer will furnish to the Company such data as required by the Company to determine that the customer meets the requirements for qualification.

The Qualifying Facility may be connected for (1) parallel operation with the Company's service, or (2) isolated operation with Interruptible Power Service provided by the Company by means of a double-throw switch.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be taken at one 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.

Interruptible power is defined as electric energy or capacity supplied by the Company subject to interruption by the Company under specified conditions.

INTERRUPTIBLE POWER SERVICE RATE

The Interruptible Power Service Rate shall be the Noticed Interruptible Power Service rates currently in effect and which would be applicable to the Customer absent its Qualifying Facility generation.

MONTHLY RESERVATION FEE

A monthly reservation fee will be charged in the months that interruptible power is not utilized by the Qualifying Facility. The reservation fee will be the retail rates currently in effect and applicable to the Customer absent its Qualifying Facility generation times the

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FOR QUALIFYING FACILITIES**

greater of ten percent of the monthly contracted capacity demand or the experienced annual Forced Outage Rate (FOR) of the Customer expressed in percentage terms of the Qualifying Facility for the most recent twelve (12) month period ending with the current month times the monthly contracted capacity demand.

DELIVERY SERVICE CHARGE

A delivery service charge will be billed to the Customer during the months that neither Maintenance Power Service nor Backup Power Service is utilized by the Qualifying Facility. The delivery service charges shall be:

Delivery Service Charge Per kW of Contract Capacity	Connected Load Up To 600 kW	Connected Load In Excess of 600 kW
Secondary Delivery	\$4.50	\$3.20
Primary Delivery	\$3.28	\$2.46

The charge is less any Delivery Service Charges applied pursuant to the provisions of the Company's Rate Schedule No. 47, Backup Power Service for Qualifying Facilities, or Rate Schedule No. 46, Maintenance Power Service for Qualifying Facilities, but not less than zero.

COMMON PROVISIONS

Interconnection Charge:

Customers on this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, engineering and administrative costs incurred by the Company related to the installation of the physical facilities necessary to permit interconnected operations with a Qualifying Facility, to the extent such costs are in excess of the costs that the Company would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy or capacity itself or purchased an equivalent amount of electric energy or capacity from other sources.

The Company shall provide a detailed estimate of the cost of interconnection within thirty (30) days of receipt of the approved written application for interconnection. The Customer shall pay the full amount of the estimated interconnection costs at the time notice to interconnect is provided to the Company.

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FOR QUALIFYING FACILITIES**

Upon completion of the interconnection, the actual costs shall be computed by the Company and reimbursements for the difference between the actual and estimated cost of interconnection. In addition, customers with design capacity greater than 100 kW shall pay an annual charge of 4.5857% of the capital costs of interconnection to provide for the recovery of property taxes, revenue related taxes, depreciation expense, and operation and maintenance expenses. The annual charge of 4.5857% is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month.

GENERAL CONDITIONS

The Company may make intentional interruptions at any time and from time to time, when emergency conditions exist and at the Company's sole discretion, for up to four hundred (400) hours in any calendar year with individual interruptions limited to no more than six (6) hours per interruption, and no more than two (2) interruptions per week. In the event of an interruption, the Company will provide thirty (30) minute notice prior to interruption. Emergency conditions are deemed to exist at any time, in the sole judgment of the Company, that demands for electricity exceed or are expected to be likely to exceed the Company's available electric supply for whatever reason or reasons including, but not limited to, breakdown of generating units, distribution equipment or other critical facilities; short-term or long term shortages of fuel or generation, distribution, and other facilities; or requirements or orders of governmental agencies. The Company may not interrupt the Customer (1) due solely to differences in the Company's marginal cost of energy and the energy-related charges for Noticed Interruptible Power Service, or (2) to continue or make non-firm off-system sales.

An hour of interruption shall be any clock-hour or part thereof during which the Company invokes an intentional interruption. The number of hours of interruption remaining during the calendar year for the term of the contract shall be reduced by a minimum of four (4) hours for each interruption occasion, even though the actual interruption may last for a lesser period. No more than two (2) interruptions may be required in any calendar week.

Interruptions will be directly controlled by the Company's system operator with the appropriate notice provided to the Customer.

NON-COMPLIANCE

Interruptible power service is provided to the Customer with the explicit knowledge and understanding that such service shall be subject to curtailment by the Customer with notice from the Company. Failure to comply with the Company's request to curtail shall result in the following adjustments to the Customer's billings and service:

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- 1) During a calendar year, the first occasion on which the Customer fails to comply with a request for curtailment shall result in the Customer being billed (or re-billed, if necessary) the entire month at the retail rates currently in effect and otherwise applicable to the Customer ("Retail Rate"); and
- 2) During the same calendar year, the second occasion on which the Customer fails to comply with a request for curtailment shall result in the Customer being re-billed at the Retail Rate for the period from January 1 of such calendar year through the end of the month in which such second failure occurred (less amounts previously remitted by the Customer for such period); and
- 3) During the same calendar year, the third occasion on which the Customer fails to comply with a request for curtailment shall result in the immediate suspension of service under the Noticed Interruptible Power Service rate, and the Customer will be served and billed for electric service for that entire month and thereafter at the Retail Rate. Additionally, the Customer will be re-billed at the Retail Rate for each month of such calendar year that was not previously billed or re-billed at the Retail Rate under this Non-Compliance section (less amounts previously remitted by the Customer for such period). Upon the expiration of twelve (12) months following the date of the third failure to comply, the Customer may reapply for electric service at the Company's then-current interruptible rate. As a condition precedent to the reestablishment of electric service at the Company's then-current interruptible rate, the Customer must demonstrate its ability to comply with the Company's applicable rate schedule and the terms of the Company's then-current interruptible rate agreement.

POWER FACTOR ADJUSTMENT

Effective April 1, 2011, if the power factor at the time of the highest measured thirty (30) minute interval kW demand for the entire plant is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = $((kW \times .95 / PF) - kW) \times DC$, where
ADJ = Increase to applicable Demand Charge,
kW = Monthly Measured Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge.

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FIXED FUEL FACTOR

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

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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. The contract provisions applicable under this rate schedule shall also apply.

This rate schedule shall be binding upon the Company and the Customer for a period conterminous with the interconnection agreement; provided, however, that the Customer may terminate service provided under this rate schedule at any time during such term by providing the Company with written notice at least one (1) year prior to the effective date of such termination and the Company may terminate in accordance with regulatory regulations. Any change in this rate schedule approved by a regulatory authority with the requisite jurisdiction, shall become effective upon such approval and remain in force until the expiration of the term of this rate schedule or the termination by the Customer in accordance with the requirements herein contained, whichever event occurs first in time.

The service supplied hereunder is to be used exclusively within the premises of the Customer, as described in the Customer's application for service.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 95

MILITARY BASE RATE DISCOUNT

APPLICABILITY

In compliance with the directive of Public Utility Regulatory Act of 1995 (PURA) §36.354, this rate discount is available to federal military bases.

TERRITORY

Texas Service Area

MONTHLY BASE RATE DISCOUNT

A discount of 20 percent will be deducted from the base portion of the Customer's applicable standard rates for electric service. The base portion includes: Customer Charge, Demand Charge, Base Energy Charge, and Power Factor Adjustment (if applicable), and is exclusive of the Fixed Fuel Factor, Energy Efficiency Cost Recovery Factor, and Military Base Discount Recovery Factor.

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.

For the purpose of this rate schedule, "Customer" includes any facility of a federal military base.

The Customer's account with the Company must be in the name of a federal military base.

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SCHEDULE NO. 99

MISCELLANEOUS SERVICE CHARGES

APPLICABILITY

Service charges under this rate schedule are applicable to all Customers. The Company shall not charge disconnect fees, membership fees, application fees, service call fees or any other fee or charges for service that are a normal utility service, except as provided in the rate schedules of the Company.

TERRITORY

Texas Service Area

SERVICE CHARGES

Description of Service Charge	Rate
New Service Start - No Meter Reading Required	\$ 17.75
New Service Start - Meter Reading Required	\$ 24.00
New Service Start - No Existing Meter (Standard Rate)	\$ 51.25
New Service Start - No Existing Meter (Non-Standard Rate)	\$ 280.25
Energy Diversion Charge	\$ 294.25
Meter Seal Replacement Charge	\$ 8.75
No Access To Meter Charge	\$ 12.50
"No Light" Service Call Charge (Standard Rate)	\$ 28.25
"No Light" Service Call Charge (Non-Standard Rate)	\$ 268.25
Non-Pay Reconnect Charge @ Meter – Next Day	\$ 36.75
Non-Pay Reconnect Charge @ Meter – Same Day	\$ 147.75
Non-Pay Reconnect at Pole Charge	\$ 147.00
Pulse Metering Equipment Installation	\$ 262.75
Pulse Metering Equipment Repair	\$ 77.25
Returned Payment Charge	\$ 28.00
Requested Meter Test Charge (Single Phase)	\$ 60.75
Requested Meter Test Charge (Three Phase)	\$ 134.00
Temporary Overhead Connection Charge	\$ 156.75
Temporary Underground Connection Charge	\$ 156.75
Unable to Connect Requested New UG/OH Service	\$ 76.75
Facilities Rental Charge	1.3591% of cost
Maintenance of Customer-Dedicated Facility Charge	0.7050% of cost
Maintenance of Customer-Owned Facility Charge	3.5257% of cost
Special Billing Analysis Charge	\$ 68.50 or cost
Special Billing History Charge	\$ 23.50 or cost
Non-Routine Miscellaneous Charge	3.5257% of Cost

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SCHEDULE NO. 99

MISCELLANEOUS SERVICE CHARGES

Out of Cycle Meter Reading Charge	\$ 18.75
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MISCELLANEOUS CHARGE DESCRIPTIONS

NEW SERVICE START – NO METER READING REQUIRED

This charge will be made for a new account setup and name change on a service location with an existing meter due to a change of responsible party, tenant or owner and no meter reading is required.

NEW SERVICE START – METER READING REQUIRED

This charge will be made when (i) a Customer requests a new service account setup and name change on a service location with an existing meter due to a change of responsible party, tenant or owner and/or the Company determines a meter reading is required and (ii) the meter must be reconnected.

NEW SERVICE START – NO EXISTING METER (STANDARD RATE)

The Standard Rate will be charged when a Customer requests a new account setup and service is scheduled to run service wires for the first time to a new premise or new point of service, set a meter, and do the other work necessary to initiate a new electric service account.

NEW SERVICE START – NO EXISTING METER (NON-STANDARD RATE)

The Non-Standard Rate will be charged when a Customer requests a new account setup and service as a same-day connection, or any connection requested to be made after Company business hours, or on Saturdays, Sundays and Holidays, and the Company calls out Company service personnel to provide the unscheduled service.

ENERGY DIVERSION CHARGE

This charge will be made for the detection and confirmation of any incidence of tampering or interference with the meter installation, or by other means preventing the proper working thereof, to include any theft of service by any person on the Customer's premises, or evidence of such tampering, interfering, or theft of service (energy diversion). The Company will maintain evidence as required and a notice will be left at the Customer premises when possible.

In addition, the Customer will pay the disconnect charge, the expense of damage to

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MISCELLANEOUS SERVICE CHARGES

and/or replacement of the Company's equipment, and the estimated cost of power and energy not recorded on the meter by reason of energy diversion at the applicable rate using the Company's best estimated data.

METER SEAL REPLACEMENT CHARGE

This charge will be made for replacement of the Company's meter seal on the meter at the Customer's premises when the seal has been broken or removed. The charge will be made for each seal replacement after the first replacement within a twelve (12) month period and a warning letter has been sent by the Company to the Customer after that first replacement.

NO ACCESS TO METER CHARGE

This charge shall be made when estimation of the meter reading is not an option and the Customer fails to provide access to read the meter and service personnel must be sent back to read the meter.

"NO LIGHT" SERVICE CALL CHARGE (STANDARD RATE)

The Standard Rate will be charged when a Customer calls the Company to report "No Lights" and requests Company service personnel be dispatched to Customer premises and it is determined that the "No Light" condition was caused by a problem in the Customer-owned wiring or equipment on the Customer's side of the point of delivery.

"NO LIGHT" SERVICE CALL CHARGE (NON-STANDARD RATE)

The Non-Standard Rate will be charged when a Customer calls the Company to report "No Lights" and requests Company service personnel be dispatched to Customer premises after Company business hours, or on Saturdays, Sundays and Holidays, and it is determined that the "No Light" condition was caused by a problem in the Customer-owned wiring or equipment on the Customer's side of the point of delivery.

NON-PAY RECONNECT CHARGE @ METER – NEXT DAY

This Rate will be charged when the Customer requests reconnection of electric service following a disconnection of service because of non-payment of bill and reconnection is requested for the next regular Company business day.

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MISCELLANEOUS SERVICE CHARGES

NON-PAY RECONNECT CHARGE @ METER – SAME DAY

This Rate will be charged when the Customer requests reconnection of electric service following a disconnection of service because of non-payment of bill and the reconnection is requested for the same Company business day as payment is received, and Company personnel must be rescheduled to complete the same-day request.

NON-PAY RECONNECT AT THE POLE CHARGE

This charge will be made for reconnection of electric service when the requesting Customer was disconnected at the pole or riser for nonpayment of bills when Company service personnel were unable to gain access to the meter for disconnection due to a problem at the Customer's premise (i.e., locked gate, dog, blocked meter, fence, etc.). Reconnection will be made on a next-day or scheduled basis.

PULSE METERING EQUIPMENT INSTALLATION

This charge will be made when the Customer requests the Company to install an isolation relay and output wiring to provide output electric pulses for the purpose of load management and energy conservation.

PULSE METERING EQUIPMENT REPAIR

This charge will be made when the Customer requests the Company to repair pulse metering equipment due to loss of pulse and it is determined that the cause is due to a problem in Customer-owned wiring or equipment on the Customer's side of the point of delivery.

RETURNED PAYMENT CHARGE

This charge will be made for each payment made by check, bank draft, credit card, debit card, or other electronic means that is returned to the Company without payment.

REQUESTED METER TEST (SINGLE PHASE)

This charge shall apply when the test is made at the Customer's request, but only if the meter has been tested at the Customer's request within the previous four (4) years, and during the current test the meter is found to be within the accuracy standards established by the American National Standards Institute.

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MISCELLANEOUS SERVICE CHARGES

REQUESTED METER TEST (THREE PHASE)

This charge shall apply when the test is made at the Customer's request, but only if the meter has been tested at the Customer's request within the previous four (4) years, and during the current test the meter is found to be within the accuracy standards established by the American National Standards Institute.

TEMPORARY OVERHEAD CONNECTION CHARGE

This charge will be made when a Customer requests temporary overhead service and 120/240 volt, single phase, three wire service is not more than ninety (90) feet from the Customer's point of delivery.

If the desired type of service is not 120/240 volt, single phase, three wire service and/or is over ninety (90) feet from the Customer's point of delivery, temporary service will be provided only when the Customer pays in advance to the Company the entire cost of installing and removing the necessary overhead facilities.

TEMPORARY UNDERGROUND CONNECTION CHARGE

This charge will be made when a Customer requests temporary underground service, and 120/240 volt, single phase three wire service is available at the Customer's point of delivery.

If the desired type of service is not 120/240 volt, single phase service and/or is not available at the Customer's point of delivery, temporary service will be provided only when the Customer pays in advance to the Company the entire cost of installing and removing the necessary underground facilities.

UNABLE TO CONNECT REQUESTED NEW UNDERGROUND/OVERHEAD SERVICE

This charge will be made when the Customer or Customer's electrical contractor applies for a new underground/overhead connection and the Company is unable to connect the service due to a broken duct, incomplete Customer-owned electrical service entrance installation, the absence of a permanently marked address, or the absence of required permitting documentation.

FACILITIES RENTAL CHARGE

This charge will be calculated and assessed on the replacement cost of equipment or facilities owned and maintained by the Company (excluding substation facilities) when the

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 99

MISCELLANEOUS SERVICE CHARGES

Customer elects to rent from the Company rather than own the equipment or facilities.

MAINTENANCE OF CUSTOMER-DEDICATED FACILITY CHARGE

This charge will be calculated and assessed to recover the cost of the Company's investment in facilities and maintenance dedicated to serve an individual Customer and covered by a Customer Advance for Construction (CAFC) or a Contribution in Aid of Construction (CIAOC). A monthly charge will continue for the term of the CAFC, or five (5) years for CIAOC, with the monthly charge applicable to either the remaining CAFC balance or the Customer's CIAOC balance to the Company, when a Customer requests and the Company agrees to provide Company-owned facilities and equipment dedicated to a single Customer.

MAINTENANCE OF CUSTOMER-OWNED FACILITY CHARGE

This charge will be calculated and assessed to the Customer on the total maintenance costs incurred by the Company and billed to the Customer when a Customer requests and the Company agrees to provide maintenance for Customer-owned facilities and equipment.

SPECIAL BILLING ANALYSIS CHARGE

This charge will be made each time a Customer requests and the Company provides a manually prepared special billing analysis or rate comparison for a period exceeding the most recent twelve (12) month period. The charge will equal the Company's cost of fulfilling the request, including but not limited to labor, overheads, materials, and data processing expenses, or the minimum charge, whichever is greater.

SPECIAL BILLING HISTORY CHARGE

This charge will be made each time a Customer requests and the Company provides a billing or usage history or analysis for a premises that exceeds the most recent twelve (12) month period. The charge will equal the Company's cost of fulfilling the request, including but not limited to labor, overheads, materials, and data processing expenses, or the minimum charge, whichever is greater.

NON-ROUTINE MISCELLANEOUS CHARGE

This charge will be made in addition to the costs for services performed by the Company at the request of the Customer and upon acceptance of the request by the Company and which are not covered by a specific rate schedule or service charge. The Customer will

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MISCELLANEOUS SERVICE CHARGES

be charged the reasonable costs incurred in performing the requested service including but not limited to labor, materials, parts, special equipment, transportation, meter testing and related overhead costs.

OUT OF CYCLE METER READING CHARGE

This charge will be made when a Customer requests a re-read of their meter outside the Company's scheduled reading cycle for the Customer's meter, and the Company determines the out of cycle reading to be within acceptable parameters.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. DG

**INTERCONNECTION AND PARALLEL OPERATION OF
DISTRIBUTED GENERATION**

AVAILABILITY

This rate schedule is applicable to Customers with facilities consisting of one or more on-site generating units operating in parallel with the Company's system (Distributed Generation) as defined in Public Utility Commission of Texas (PUCT or Commission) Substantive Rules §25.211 and §25.212 pursuant to the terms of the Agreement for Interconnection and Parallel Operation of Distributed Generation, which is incorporated herein. To qualify for this rate schedule, no more than ten (10) megawatts (MW) of a facility's capacity will be interconnected at any point in time at the point of common coupling with the Company's distribution system, and the Customer shall have no intent to sell electricity in the wholesale energy market.

APPLICATION FOR INTERCONNECTION

A person seeking interconnection and parallel operation of Distributed Generation (DG) with the Company's distribution system must complete and submit the Application for Interconnection and Parallel Operation of Distributed Generation with the Utility System, which is incorporated herein.

Except for residential customers, an Interconnection Customer shall pay the following application fee to the Company at the time the Customer delivers its interconnection application to the Company:

1. \$50.00 if the proposed generating facility will have a rated capacity less than or equal to 10 kilowatts (kW); or
2. \$100.00 if the proposed generating facility will have a rated capacity greater than 10 kW and less than or equal to 100 kW; or
3. \$100.00 plus \$1.00 for each kW exceeding 100 kW if the proposed generating facility will have a rated capacity greater than 100 kW.

DEFINITIONS

On-peak periods and off-peak periods are all defined in the appropriate rate schedules under which the Customer takes power.

TERRITORY

Texas Service Area

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SCHEDULE NO. DG

INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED GENERATION

TYPE OF SERVICE

Distributed Generation: DG systems may be comprised of one or more primary technologies such as internal combustion engines, combustion turbines, photovoltaics, wind, landfill gas, and batteries.

PRICING

Pricing for supplemental, maintenance, backup, and non-firm purchased power will be in accordance with the Company's Supplemental, Maintenance, Backup and Non-Firm Purchased Power Service Rate Schedule Nos. 45, 46, 47, 48, and 51 and other applicable rate schedules. All Customers, except residential service customers and commercial customers whose capacity is 15 kW or less, must have a demand meter.

PRE-INTERCONNECTION STUDY

A pre-interconnection study may be required and conducted by Company or by the Company's authorized agent. A pre-interconnection study is an on-site analysis used to determine the interconnection requirements and the system voltage for providing parallel service to a DG Customer and an engineering analysis that determines whether the presence of the DG unit at a particular location would interfere with the protective fusing and relaying on the distribution system. The study includes an analysis of the DG contribution to power flow, VAR flow, available fault current, and effects on switched capacitors and voltage under normal and worst case situations. The study may vary in scope, but it results in the minimum information for attaching a small DG unit at a particular location on the distribution system or results in identifying the necessity of further studies for a larger unit. The cost of the pre-interconnection study shall be borne by the Customer pursuant to PUCT Substantive Rule §25.211 (hereinafter the "DG Rule").

A. Pre-Interconnection Study Fee Schedule

Table 1. Non-Exporting Distributed Generation Units

Non-Exporting	0 to 10 kW	10+ to 500 kW	500+ to 2,000 kW	2,000+ to 10,000 kW
1. Pre-Certified, not on network	\$0	\$255	\$437	\$692
2. Not Pre-Certified, not on network	\$198	\$359	\$541	\$796
3. Pre-Certified, on network	\$182	\$364	\$1,238	\$2,038
4. Not Pre-Certified, on network	\$390	\$572	\$1,446	\$2,246

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**INTERCONNECTION AND PARALLEL OPERATION OF
DISTRIBUTED GENERATION**

Table 2. Exporting Distributed Generation Units

Non-Exporting	0 to 10 kW	10+ to 500 kW	500+ to 2,000 kW	2,000+ to 10,000 kW
1. Pre-Certified, not on network	\$112	\$450	\$1,019	\$1,420
2. Not Pre-Certified, not on network	\$259	\$754	\$1,227	\$1,628
3. Pre-Certified, on network	\$271	\$946	\$2,694	\$3,567
4. Not Pre-Certified, on network	\$686	\$1,258	\$3,006	\$3,879

B. Pre-Interconnection Study Fee Applicability

1. Pre-Interconnection Study Fees will not be assessed for DG units up to 500 kW that are pre-certified as defined pursuant to the DG Rules, that export no more than 15% of the total load on a single radial feeder and that contribute no more than 25% of the maximum potential short-circuit current on a single feeder. No fee is charged for any pre-certified (according to PUCT definition) DG unit up to 500 kW that exports not more than 15% of the total load on a single radial feeder and contributes not more than 25% of the maximum potential short-circuit current on a single radial feeder.
2. No fee is charged for any pre-certified (according to PUCT definition) distributed inverter based generation unit up to 20 kW connected to a distribution network.
3. For any pre-certified DG unit up to 500 kW that exceeds the limits defined in Section A above, or any pre-certified DG unit above 500 kW, the fees in Section A apply as required for any pre-interconnection studies required by the Company.
4. For any non-certified DG unit, the fees in Section A apply as required for any pre-interconnection studies required by the Company.
5. The fees in Section A apply for any pre-interconnection studies required by the Company for interconnection of DG to either radial feeders or distribution networks.

TERMS OF PAYMENT FOR PRE-INTERCONNECTION STUDY FEE

All charges for pre-interconnection studies that are required to be undertaken by the Company prior to interconnection must be agreed to and paid by the Customer prior to commencement of the study.

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DISTRIBUTED GENERATION

TERMS AND CONDITIONS OF SERVICE

The terms and conditions under which interconnection of DG is to be provided are contained in PUCT Substantive Rules §25.211 and §25.212, which are incorporated herein by reference, and in the Agreement for Interconnection and Parallel Operation of Distributed Generation, which is incorporated herein. The rules are subject to change from time to time as determined by the Commission, and such changes shall be automatically applicable hereto based upon the effective date of any Commission order or rule amendment. The provisions and conditions of the Company's Standard Terms and Conditions and of the Supplementary, Maintenance, Backup and Non-Firm Purchased Power Service Schedule Nos. 45, 46, 47 and 48 will continue to be applied, unless specifically changed per this rate schedule. Customers requesting service under this rate schedule must also execute a Contract for Electric Service. The Company's Rules and Regulations and the contract provisions shall apply under this rate schedule.

OTHER SERVICES

Other services may be provided as requested by the Customer and provided pursuant to negotiations and agreement by the Customer and Company and may be subject to approval by the Commission.

The contract capacity for residential customers will be the manufacturer's nameplate rating of the generator. All electricity used over the power provided by the generator will be considered supplemental power and billed according to the standard Rate Schedule No. 45.

RELATED TARIFFED SERVICES

Other services as described below may be provided as requested by the Customer pursuant to negotiations and agreement by the Customer and Company and may be subject to approval by the Commission.

Services for qualifying small power production and cogeneration facilities as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978:

Backup and Maintenance Service: Applicable and available to the requirements at the site of the DG and only to Customers who have their own *qualifying* generation equipment and who contract for backup and maintenance service pursuant to Rate Schedule No. 46, Maintenance Service, and Rate Schedule No. 47, Backup Service.

Supplementary Service: Applicable and available to the requirements at the site of the DG and only to Customers who have their own *qualifying* generation equipment but

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whom also require firm power service in addition to service provided under Rate Schedule No. 46, Maintenance Service, and Rate Schedule No. 47, Backup Service. Supplementary Service may be provided under the Company's Rate Schedule No. 45 applicable to Customer requirements at the site of the DG only.

Non-Firm Purchased Power Service: Applicable and available to the requirements at the site of the DG and only to Customers who have their own *qualifying* generation equipment and who contract with the Company for purchase of the Customer's non-firm energy pursuant to Rate Schedule No. 48, Non-Firm Purchased Power Service. This rate schedule is limited to purchases of non-firm energy delivered at a rate of 1,000 KW or less.

Interruptible Power Service For Qualifying Facilities: Applicable and available to the requirements at the site of the DG and only to Customers who have their own *qualifying* generation equipment and who contract with the Company for electric energy or capacity supplied by the Company and subject to interruption by the Company under specified conditions pursuant to Schedule No. 51, Interruptible Power Service.

INDEMNITY CLAUSE

The provisions of the Indemnity Clause in the Customer's contract for service under this rate schedule shall apply.

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**INTERCONNECTION AND PARALLEL OPERATION OF
DISTRIBUTED GENERATION**

Customers seeking to interconnect distributed generation with the utility system will complete and file with the Company the following Application for Parallel Operation:

**APPLICATION FOR INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED
GENERATION WITH THE UTILITY SYSTEM**

Return Completed Application to: El Paso Electric Company
Attention: Manager, Renewables and Emergent
Technologies
P.O. Box 982
El Paso, Texas 79960

Customer's Name: _____

Address: _____

Contact Person: _____

Email Address: _____

Telephone Number: _____

Service Point Address: _____

Information Prepared and Submitted By: _____

(Name and Address) _____

Signature _____

The following information shall be supplied by the Customer or Customer's designated representative. All applicable items must be accurately completed in order that the Customer's generating facilities may be effectively evaluated by the El Paso Electric Company (Company) for interconnection with the utility system.

GENERATOR

Number of Units: _____

Manufacturer: _____

Type (Synchronous, Induction, or Inverter): _____

Fuel Source Type (Solar, Natural Gas, Wind, etc.): _____

Kilowatt Rating (95 F at location) _____

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Kilovolt-Ampere Rating (95 F at location): _____

Power Factor: _____

Voltage Rating: _____

Ampere Rating: _____

Number of Phases: _____

Frequency: _____

Do you plan to export power: _____ Yes / _____ No

If Yes, maximum amount expected: _____

Do you wish El Paso Electric to report excess generation to your REP? ____ Yes/ ____ No

Pre-Certification Label or Type Number: _____
(e.g., UL-1741 Utility Interactive or IEEE 1547.1)

Expected Energizing and Start-up Date: _____

Normal Operation of Interconnection: (examples: provide power to meet base load, demand management, standby, back-up, other (please describe) _____

One-line diagram attached: _____ Yes

For systems not using pre-certified inverters (e.g., inverters certified to UL-1741 or IEEE 1547.1), does El Paso Electric have the dynamic modeling values from the generator manufacturer?
_____ Yes _____ No

If not, please explain: _____

(Note: For Pre-Certified Equipment, the answer is Yes. Otherwise, the Applicant must provide the dynamic modeling values if they are available.)

Layout sketch showing lockable, "visible" disconnect device: _____ Yes

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**INTERCONNECTION AND PARALLEL OPERATION OF
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Authorized Release of Information List

By signing this application in the space provided below, Customer authorizes El Paso Electric to release Customer's proprietary information to the extent necessary to process this Application to the following persons:

	Name	Phone Number	Email Address
Project Manager			
Electrical Contractor			
Consultant			
Other			

[COMPANY NAME]

[CUSTOMER NAME]

EL PASO ELECTRIC COMPANY

BY: _____

BY: _____

PRINTED NAME

PRINTED NAME

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

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**INTERCONNECTION AND PARALLEL OPERATION OF
DISTRIBUTED GENERATION**

**AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION OF
DISTRIBUTED GENERATION**

This Interconnection Agreement ("Agreement") is made and entered into this _____ day of _____, 20____, by El Paso Electric Company, ("Company"), and _____ ("Customer"), a _____ [specify whether corporation, and if so name state, municipal corporation, cooperative corporation, or other], each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties". In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. Scope of Agreement -- This Agreement is applicable to conditions under which Company and Customer agree that one or more generating facility or facilities of ten megawatts or less and related interconnecting facilities to be interconnected at less than 60 kilovolts ("Facilities") may be interconnected to the Company's facilities, as described in Exhibit A.

2. Establishment of Point(s) of Interconnection -- Company and Customer agree to interconnect Facilities at the locations specified in this Agreement, in accordance with Public Utility Commission of Texas ("Commission") Substantive Rules 25.211 relating to Interconnection of Distributed Generation and 25.212 relating to Technical requirements for Interconnection and Parallel Operation of On-Site Distributed Generation, (16 Texas Administrative Code §25.211 and §25.212) (the "Rules") or any successor rule addressing distributed generation and as described in the attached Exhibit A (the "Point(s) of Interconnection").

3. Responsibilities of Company and Customer -- Customer shall, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for, Facilities specified on Exhibit A. Customer shall conduct operations of Facilities in compliance with all aspects of the Rules, and Company shall conduct operations on its facilities in compliance with all aspects of the Rules, and as further described and mutually agreed to in the applicable Facility Schedule. Maintenance of Facilities shall be performed in accordance with the applicable manufacturer's recommended maintenance schedule. Customer agrees to cause Facilities to be constructed in accordance with specifications equal to or greater than those provided by the National Electrical Safety Code, approved by the American National Standards Institute, in effect at the time of construction.

Each Party covenants and agrees to design, install, maintain, and operate, or cause the design, installation, maintenance, and operation of, its facilities so as to reasonably minimize the likelihood of a disturbance, originating in the facilities of one Party, affecting or impairing the facilities of the other Party, or other facilities with which Company is interconnected.

Company shall notify Customer if there is evidence that operation of Facilities operation causes disruption or deterioration of service to other utility customers or if the operation of Facilities causes damage to Company's facilities or other facilities with which Company is interconnected. Company and Customer shall work cooperatively and promptly to resolve the problem.

Customer shall notify Company of any emergency or hazardous condition or occurrence with Facilities which could affect safe operation of Company's facilities with which Company is interconnected.

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Customer shall provide at least 14 days' written notice of a change in ownership or cessation of operations of one or more Facilities.

4. **Limitation of Liability and Indemnification**

- a. *Notwithstanding any other provision in this Agreement, with respect to Company's provision of electric service to Customer other than the Interconnection service addressed by this Agreement, Company's liability to Customer shall be limited as set forth in _____ of Company's Commission-approved tariffs, which are incorporated herein by reference.*
- b. *Neither Company nor Customer shall be liable to the other for damages for any anything that is beyond such Party's control, including an act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, a curtailment, order, or regulation or restriction imposed by governmental, military, or lawfully established civilian authorities, or the making of necessary repairs upon the property or equipment of either party.*
- c. *Notwithstanding Paragraph 4.b of this Agreement, Company shall assume all liability for and shall indemnify Customer for any claims, losses, costs, and expenses of any kind or character to the extent that they result from Company's negligence in connection with the design, construction, or operation of its Facilities as described on Exhibit A; provided, however, that Company shall have no obligation to indemnify Customer for claims brought by claimants who cannot recover directly from Company. Such indemnity shall include, but is not limited to, financial responsibility for: (i) Customer's monetary losses; (ii) reasonable costs and expenses of defending an action or claim made by a third person; (iii) damages related to the death or injury of a third person; (iv) damages to the property of Customer; (v) damages to the property of a third person; (vi) damages for the disruption of the business of a third person. In no event shall Company be liable for consequential, special, incidental or punitive damages, including, without limitation, loss of profits, loss of revenue, or loss of production. The Company does not assume liability for any costs for damages arising from the disruption of the business of Customer or for Customer's costs and expenses of prosecuting or defending an action or claim against the Company. This paragraph does not create a liability on the part of Company to Customer or a third person, but requires indemnification where such liability exists. The limitations of liability provided in this paragraph do not apply in cases of gross negligence or intentional wrongdoing.*

d. **Please check the appropriate box.**

☐ **Private Entity**

Notwithstanding Paragraph 4.b of this Agreement, Customer shall assume all liability for and shall indemnify Company for any claims, losses, costs, and expenses of any kind or character to the extent that they result from Customer's negligence in connection with the design, construction or operation of its facilities described on Exhibit A; provided, however, that Customer shall have no obligation to indemnify Company for claims brought by claimants who cannot recover directly from Customer. Such indemnity shall include, but is

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not limited to, financial responsibility for: (i) Company's monetary losses; (ii) reasonable costs and expenses of defending an action or claim made by a third person; (iii) damages related to the death or injury of a third person; (iv) damages to the property of Company; (v) damages to the property of a third person; (vi) damages for the disruption of the business of a third person. In no event shall Customer be liable for consequential, special, incidental or punitive damages, including, without limitation, loss of profits, loss of revenue, or loss of production. The Customer does not assume liability for any costs for damages arising from the disruption of the business of Company or for Company's costs and expenses of prosecuting or defending an action or claim against Customer. This paragraph does not create a liability on the part of Customer to Company or a third person, but requires indemnification where such liability exists. The limitations of liability provided in this paragraph do not apply in cases of gross negligence or intentional wrongdoing.

☐ **Federal Agency**

Notwithstanding Paragraph 4.b of this Agreement, the liability, if any, of Customer relating to this Agreement, for injury or loss of property, or personal injury or death shall be governed exclusively by the provisions of the Federal Tort Claims Act (28 U.S.C. §§1346, and 2671-2680). Subject to applicable federal, state, and local laws, each Party's liability to the other for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement shall be limited to the amount of direct damages actually incurred, and in no event shall either Party be liable to the other for any indirect, special, consequential, or punitive damages.

- e. *Company and Customer shall each be responsible for the safe installation, maintenance, repair and condition of their respective facilities on their respective sides of the Points of Interconnection. Company does not assume any duty of inspecting Customer's Facilities.*
- f. *For the mutual protection of Customer and Company, only with Company's prior authorization are the connections between Company's service wires and Customer's service entrance conductors to be energized.*

5. Right of Access, Equipment Installation, Removal & Inspection – Upon reasonable notice, Company may send a qualified person to the premises of Customer at or immediately before the time the Facility first produces energy to inspect the interconnection, and observe the Facility's commissioning (including any testing), startup, and operation for a period of up to three days after initial startup of Facilities.

Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, Company shall have access to Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its customers.

EL PASO ELECTRIC COMPANY

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**INTERCONNECTION AND PARALLEL OPERATION OF
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6. Disconnection of Facilities – Customer retains the option to disconnect from Company's facilities. Customer shall notify Company of its intent to disconnect by giving Company at least thirty days' written notice. Such disconnection shall not be a termination of this Agreement unless Customer exercises its rights under Section 7.

Customer shall disconnect Facilities from Company's facilities upon the effective date of any termination under Section 7.

Subject to Commission Rule, for routine maintenance and repairs of Company's facilities, Company shall provide Customer with seven business days' notice of service interruption.

Company shall have the right to suspend service in cases where continuance of service to Customer will endanger persons or property. During the forced outage of the Company's facilities serving Customer, Company shall have the right to suspend service to effect immediate repairs of Company's facilities, but Company shall use its best efforts to provide Customer with reasonable prior notice.

7. Effective Term and Termination Rights -- This Agreement becomes effective when executed by both parties and shall continue in effect until terminated. The Agreement may be terminated for the following reasons: (a) Customer may terminate this Agreement at any time, by giving Company sixty days' written notice; (b) Company may terminate upon failure by Customer to generate energy from Facilities in parallel with Company's facilities within twelve months after completion of the interconnection; (c) either Party may terminate by giving the other Party at least sixty days prior written notice that the other Party is in default of any of the material terms and conditions of the Agreement, so long as the notice specifies the basis for termination and there is reasonable opportunity to cure the default; or (d) Company may terminate by giving Customer at least sixty (60) day notice if possible in the event that there is a material change in an applicable rule or statute that necessitates termination of this Agreement.

8. Governing Law and Regulatory Authority – Please check the appropriate box.

☐ Private Entity

This Agreement was executed in the State of Texas and must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to, and the Parties' obligations hereunder include, operating in full compliance with all valid, applicable federal, state, and local laws or ordinances, and all applicable rules, regulations, orders of, and tariffs approved by, duly constituted regulatory authorities having jurisdiction.

☐ Federal Agency

This Agreement was executed in the State of Texas and, to the extent not inconsistent with all applicable federal law (including but not limited to: (a) the Anti-Deficiency Acts, 31 USC §§1341, 1342, and 1501-1519; (b) the Tort Claims Act, 28 USC Chapter 171, §§2671-2680, and 28 CFR Part 14; and (c) the Contract Disputes Act of 1978, as amended, 41 USC §§601-613, must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to, and the Parties' obligations hereunder include, operating in full compliance with all valid, applicable federal, state, and local laws or ordinances, and all applicable rules, regulations, orders of, and tariffs approved by, duly constituted regulatory authorities having jurisdiction.

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9. Amendment --This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.

10. Entirety of Agreement and Prior Agreements Superseded -- This Agreement, including the attached Exhibit A and Facility Schedules, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein. This Agreement replaces all prior agreements and undertakings, oral or written, between the Parties with regard to the subject matter hereof, including without limitation _____ [specify any prior agreements being superseded], and all such agreements and undertakings are agreed by the Parties to no longer be of any force or effect. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein, which agreements are unaffected by this Agreement.

11. Written Notices -- Written notices given under this Agreement are deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

(a) If to Company:

(b) If to Customer:

The above-listed names, titles, and addresses of either Party may be changed by written notification to the other, notwithstanding Section 10.

12. Invoicing and Payment -- Invoicing and payment terms for services associated with this agreement shall be consistent with applicable Substantive Rules of the Commission.

13. No Third-Party Beneficiaries -- This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

14. No Waiver -- The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations,

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rights, or duties imposed upon the Parties.

15. Headings -- The descriptive headings of the various parts of this Agreement have been inserted for convenience of reference only and are to be afforded no significance in the interpretation or construction of this Agreement.

16. Multiple Counterparts -- This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized representatives.

COMPANY:

NAME: El Paso Electric Company

BY: _____
(printed name)

TITLE: _____

DATE: _____

CUSTOMER:

NAME: _____

BY: _____
(printed name)

TITLE: _____

DATE: _____

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EXHIBIT A

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LIST OF FACILITY SCHEDULES AND POINTS OF INTERCONNECTION

Facility Schedule No.

Name of Point of Interconnection

[Insert Facility Schedule number and name for each Point of Interconnection]

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. DG

INTERCONNECTION AND PARALLEL OPERATION OF
DISTRIBUTED GENERATION

EXHIBIT A

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FACILITY SCHEDULE NO. _____

[The following information is to be specified for each Point of Interconnection, if applicable.]

1. Customer Name:
2. Premises Owner Name:
3. Facility Location:
4. Delivery voltage:
5. Metering (voltage, location, losses adjustment due to metering location, and other):
6. Normal Operation of Interconnection:
7. One line diagram attached (check one): _____ Yes / _____ No
If Yes, then the one-line drawing should show cthe most current drawing(s) available as of the signing of this Schedule. Company and Customer agree drawing(s) may be updated to meet as-built or design changes that occur during construction. Customer understands and agrees that any changes that substantially affect the protective or functional requirements required by the Company will need to be reviewed and accepted by Company.
8. Equipment to be furnished by Company:
(This section is intended to generally describe equipment to be furnished by Company to effectuate the interconnection and may not be a complete list of necessary equipment.)
9. Equipment to be furnished by Customer:
(This section is intended to generally describe equipment to be furnished by Customer to effectuate the interconnection and may not be a complete list of necessary equipment.)
10. Cost Responsibility and Ownership and Control of Company Facilities:
Unless otherwise agreed or prescribed by applicable regulatory requirements or other law, any payments received by Company from Customer will remain the property of Company. Company shall at all times have title to and complete ownership and control over facilities installed by Company.

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11. Modifications to Customer Facilities:

Customer understands and agrees that, before making any modifications to its Facilities that substantially affect the protective or interconnection parameters or requirements used in the interconnection process (including in an Pre-interconnection Study performed by Company), Customer will both notify Company of, and receive approval by Company for, such modifications. Customer further understands and agrees that, if required pursuant to Commission Substantive Rule 25.211(m)(5), it will submit a new Application for Interconnection and Parallel Operation request for the desired modifications.

12. Supplemental terms and conditions attached (check one): ____ Yes / ____ No

COMPANY:

NAME: El Paso Electric Company

BY: _____
(printed name)

TITLE: _____

DATE: _____

CUSTOMER:

NAME: _____

BY: _____
(printed name)

TITLE: _____

DATE: _____

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. VRE

VOLUNTARY RENEWABLE ENERGY RATE

APPLICABILITY

This rate schedule is closed to all new Customer applications.

This rate schedule is available to all retail customer classes for the purchase of all or a portion of a Customer's energy requirements.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service will be provided to those Customers who volunteer to receive their energy from Renewable Energy Resources. A Renewable Energy Resource is any technology that exclusively relies on an energy source that is naturally regenerated over a short time scale and derived directly from the sun (such as solar-thermal, photochemical, and photoelectric), indirectly from the sun, from wind, hydropower and biomass, or from other natural movements and mechanisms of the environment (such as geothermal and tidal energy). A renewable energy technology does not rely on energy resources derived from fossil fuels, waste products from fossil fuels, or waste products from inorganic sources. The amount of power subscribed to by the Customer shall be set out in an Application for Voluntary Renewable Energy Rate.

CALCULATION OF BILL

The Rates and Terms as set out on all Texas Rate Schedules shall apply. Additionally, the Renewable Energy Premium shall apply for the kWh elected by the Customer to be served by Renewable Energy Resources as stated in the Application for Voluntary Renewable Energy Rate. The Renewable Energy Premium is as follows:

Customer Group	Premium per kWh
Secondary Voltage	\$0.03534
Primary Voltage	\$0.03453
Transmission Service	\$0.03349

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. VRE

VOLUNTARY RENEWABLE ENERGY RATE

MONTHLY MINIMUM

Customers may elect to take service in increments of 100 kWh.

OTHER TERMS AND CONDITIONS

Service will be offered to customers as it is available for sale by the Company.

Customers will be required to take service under this rate schedule for a minimum term of one (1) year. Service under this rate schedule will automatically be renewed on an annual basis absent thirty (30) days prior written notification of cancellation.

The Company's Rules and Regulations on file with the Public Utility Commission of Texas and available for inspection at Company offices apply to service under this rate schedule.

FIXED FUEL FACTOR

The Voluntary Renewable Energy Rate is not subject to the Company's Rate Schedule No. 98 (Fixed Fuel Factor).

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.

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EL PASO ELECTRIC COMPANY
SCHEDULE NO. EVC
ELECTRIC VEHICLE CHARGING RATE

APPLICABILITY

This rate schedule is available for service to residential and commercial Customers using a facility dedicated solely for the charging of electric vehicles. The Customer must agree to a minimum twelve (12) month term of service under this rate schedule.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will either be single or three phase at the option of the Company. Only charging activity operating at 120V or 240V are eligible for service under this rate schedule. All service will be taken at one point of delivery, designated by the Company and dedicated solely for the charging of electric vehicles.

Service will be measured by a single meter, or other measuring device, of each kind needed for Time of Use (TOU) service. Residential or commercial customers already receiving TOU service can choose to have any charging installation electrically connected behind their existing meter.

MONTHLY TIME-OF-USE RATE

Customer Charge (per meter per month)		\$8.40
Energy Charge per kWh	Summer (May through October)	Winter (November through April)
On-Peak Period	\$0.36259	-----
Off-Peak Period	\$0.06908	\$0.06908

The on-peak period shall be from 1:00 p.m. through 5:00 p.m., Mountain Daylight Time, Monday through Friday, for the months of May through October. The off-peak period shall be all other hours not covered in the on-peak period.

MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge.

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EL PASO ELECTRIC COMPANY
SCHEDULE NO. EVC
ELECTRIC VEHICLE CHARGING RATE

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (Military Base Discount Recovery Factor).

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.

The Term of Contract for service under this rate schedule shall not be not less than twelve (12) months during which time the Customer will maintain an active account and will pay the monthly minimum regardless of whether or not service is used under this rate schedule.

Prior to initiation of service, Company personnel will verify the installation of the Customer's charging station and ensure that the load behind the electric vehicle (EV) meter is exclusively related to EV charging. Only a charging service operating at 120V or 240V is eligible for service on the EV rate.

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EL PASO ELECTRIC COMPANY

SECTION 2

RULES AND REGULATIONS

EL PASO ELECTRIC COMPANY

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EL PASO ELECTRIC COMPANY
SECTION 2
RULES AND REGULATIONS REGARDING
ELECTRIC SERVICE

INTRODUCTION

The Rules and Regulations set forth herein are provided as a standard for the supplying of electric service to customers of El Paso Electric Company.

CUSTOMER RELATIONS

El Paso Electric Company is required to follow the requirements of section 32.101 of the Public Utility Regulatory Act and Public Utility Commission of Texas Substantive Rule §25.31, regarding information available to its Customers. Upon request of the Customer, the Company will provide a copy of these Rules and Regulations to the Customer.

SECTION I

DEFINITIONS

1. COMPANY

El Paso Electric Company

2. COMMISSION

The Public Utility Commission of Texas

3. CUSTOMER AND APPLICANT

A Customer is any corporation, business establishment, institution, association, governmental entity or individual currently being served or using electric energy supplied by the Company.

A Residential Customer is each separate house, apartment, flat, or other living quarters occupied by a person or persons constituting a distinct household that is primarily an end user consuming electricity at his/her residence for personal, family or household purposes and who is not a re-seller of electricity.

A Non-Residential Customer is any Customer who is not a Residential Customer and includes, but is not limited to, Commercial and Industrial Customers, State Agencies, School Districts, Colleges and Universities, Municipal Accounts, Military Bases, and Public Street and Highway Lighting but does not include sales of electricity for re-sale.

An Applicant is a person who has applied for service for the first time or reapplies at a new or existing location after disconnection of service.

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4. DELIVERY OF SERVICE

Delivery of service means readiness and ability on the part of the Company to furnish service or deliver electricity to the Customer, and the maintenance by the Company at the Point of Delivery of approximately the agreed frequency and voltage, irrespective of whether or not Customer makes any use thereof.

5. PERMANENT INSTALLATION

Permanent Installation means any installation that is constructed or placed on and permanently affixed to a foundation, and that is, or will be, used or occupied on a full-time basis by the Customer. A manufactured home or prefabricated structure will qualify as a permanent installation only if it is installed on a foundation system according to regulations of the Texas Department of Licensing & Regulation or is otherwise impractical to move and has the wheels, axles and hitch or towing device removed, and if it is connected to a permanent water and sewer system.

6. CUSTOMER'S INSTALLATION

Customer's Installation means all wires, cut-outs, switches, appliances and apparatus of every kind and nature located on the Customer's side of Point of Delivery and used in connection with or forming a part of any installation for utilizing electricity for any purpose, including Service Leads, whether such installation is owned outright by Customer or used by Customer under lease or otherwise.

7. POINT OF DELIVERY

The Point of Delivery is the point where the Company's wires or facilities are connected with those of the Customer. The Point of Delivery will be designated by the Company.

8. SERVICE WIRES

Service Wires are the wires of the Company that are connected to the Customer's Service Leads.

9. SERVICE LEADS

Service Leads are that portion of Customer's Installation to which the Company will or has connected its Service Wires.

10. CONNECTED LOAD

Connected Load means the combined nominal rated capacity in kilowatts of all motors or other electric energy consuming devices installed on the Customer's premises that may be operated with electric energy supplied by the Company.

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11. MAXIMUM DEMAND

When mentioned in any rate schedule, Maximum Demand is to be applied as set forth in the rate schedule under consideration and refers to the greatest demand occurring during a specified period of time placed by the Customer on the Company's electric system. The Company reserves the right to estimate the maximum demand for purposes of establishing the type of service and the facilities to be provided.

12. SAFETY ENTRANCE SWITCH

A safety entrance switch is a device that allows the Company to connect its service wires to the Customer's service leads, and allows for a meter to be installed within a structure.

13. ENERGY ASSISTANCE PROVIDER

An energy assistance provider is defined as a public or private organization engaged in assisting individuals in the payment of their electric utility bills.

SECTION II

RULES AND REGULATIONS

1. APPLICABILITY

In order that all Customers receive uniform, efficient and adequate service, the Company will provide electric service to its Customers in accordance with the Public Utility Regulatory Act, Commission rules and these Rules and Regulations.

2. SERVICE APPLICATIONS

Before the Company takes action to supply electric service, an Applicant may be required to sign an "Application for Service" from the Company for such service [see Sheet Number 8].

3. SERVICE AGREEMENTS

In addition to approval by the Company of an Application for Service, if one is required, a Customer may be required to sign an "Agreement for the Purchase of Electric Service from El Paso Electric Company" [see Sheet Number 3]. Service under such Agreement will be furnished to the Customer with the provision that any change in rate schedule or rates or in the Rules and Regulations applying to them, as may from time to time be approved by such regulatory body as may have jurisdiction, will apply in the same manner as if incorporated in said Agreement.

In the event service is supplied by the Company to any Customer who requested service and has not signed an Agreement with the Company as above mentioned, then, in consideration of the Company's supplying service, Customer will be bound in all respects to the same extent as if an Agreement had been signed.

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4. CUSTOMER CHANGE OF PREMISES

When a Customer plans to vacate the premises at which the Customer is receiving electric service, the Customer must notify the Company prior to moving from the premises. The Customer will be responsible for all service supplied to the original premises until such notice has been received and the Company has not had more than three (3) working days to disconnect the Customer's service.

5. ELECTRICAL PERMIT

The Company will not connect its Service Wires to the Customer's Service Leads until the Customer has obtained a certificate of compliance or a certificate of inspection from the proper authority.

6. RIGHT-OF-WAY (EASEMENT)

The Customer will make or procure satisfactory conveyance to the Company of right-of-way for the Company's facilities across the property owned or controlled by the Customer, necessary or incidental to the furnishing of service by the Company. The Customer must have all property corners surveyed and all necessary irons installed by a licensed surveyor to permit the Company to install its facilities within said rights-of-way.

7. LINE EXTENSIONS

The Company will furnish, without cost to the Customer, a standard Meter and Service Wires of a length appropriate to the electrical load being served. In all other cases requiring the installation of additional facilities, the Company will make Line Extensions within its territory required to serve any Customer or Customers, whose usage will be of a permanent nature, on a basis equitable both to the Customer and to the Company and in accordance with the Company's Line Extension Policy.

When temporary or emergency service, with emergency service defined as a prompt action taken to protect a Customer or the public in the event of an accident, is requested by a Customer and is furnished by the Company, it may be supplied, at the Company's option, only when the Customer pays in advance the entire cost to the Company of installing and removing equipment necessary to make such temporary or emergency service available.

Temporary or emergency electric service will be billed in accordance with the rate schedule applicable to the loads served.

8. SERVICES

The ordinary method of connection between the Company's distribution system and the Customer's Service Leads will be:

- a. Overhead, where Company's general distribution system in a given area is

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- overhead, or
- b. Underground, where Company's general distribution system in a given area is underground.

If the Customer requests connection in any manner other than specified above, special arrangements may, at the Company's option, be made between the Customer and the Company by which the connection will be made and maintained.

In an area where the Company's distribution system is overhead, the length of the service wire drop will be dependent upon the Customer's electrical load, but the service wire drop will not exceed ninety (90) feet.

Customer's Service Leads will be installed at a location and height designated by the Company. However, should such location not be acceptable to the Customer, the Customer may, at the Customer's expense, carry the Service Leads in metal conduit to the Company's location.

In overhead areas, conduit for Customer's Service Leads will be provided by the Customer with approved fittings with drip loop and with wires extending at least twenty-four (24) inches beyond its end.

In an area where the Company's distribution system is underground, the Company will furnish up to 150 feet of service wire to a Residential Customer at no cost. The service wire will be installed in a duct system provided, installed, owned and maintained by the Customer. Non-residential Customers will provide, own, install and maintain the service wire and duct system between the Customer's building and a Company transformer, service enclosure or other termination point as designated by the Company. It is the Customer's responsibility that the Customer's wires must extend at least thirty-six (36) inches into the Company's service box or be able to reach the secondary bushings of the Company transformer.

9. METER INSTALLATION—CUSTOMER RESPONSIBILITIES

The Customer must provide and at all times maintain, free of expense to the Company, a suitable and easily accessible location on Customer's premises at which electricity is to be supplied and sufficient and proper space for the installation of meters or other similar devices of the Company. The Customer must also provide the necessary wiring, meter enclosures, meter loops, and meter board of approved design, constructed and installed in accordance with the Company's specifications.

For all new meter installations or relocation of existing meter installations, the Meter or Meters will be installed on the outside of the building. If it is impractical to locate the Meter on the outside, the Customer must obtain approval for any other location in advance from the Company. When it is necessary to install Meters on the inside of the building, the Customer must furnish a standardized safety entrance switch of approved construction. However, in no case will Meters be installed in bedrooms, kitchens, bathrooms, toilets or closets or under stairways.

The Company at any time may require the location of the Meters on existing

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installations be changed at the Customer's expense.

The Customer's Meter must be installed and maintained by the Customer at the Customer's expense in a safe and efficient manner in accordance with the specifications of the Company and in full compliance with all laws and governmental regulations applicable to the same.

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10. METER INSTALLATION-COMPANY RESPONSIBILITIES

Unless otherwise specified in the Company's applicable rate schedules, the Company will, without rental or other charge, furnish a Meter for registration of electricity sold to the Customer by the Company. The Company will supply electricity only through Meters or other measuring devices it furnishes and owns. The Customer must notify the Company of its desire to have such Meter or other measuring device installed, relocated, changed or removed.

The Company, may, at any time and at its option, change the type of Meter(s) measuring electric usage by the Customer. When possible, the Customer will be notified in advance of a Meter change so that Customer verification of Meter readings can be accomplished.

11. GROUPING OF METERS

Where two (2) or more Meters are to be installed in the same building or on the same premises for different Customers, they will be grouped at one common place accessible for reading and testing, and the meter loops for each Customer must be clearly designated by the Customer(s).

All arrangements of meter loops and meter boards must be made by the Customer or owner of the building, at a location to be designated by the Company, and each Meter must be protected by an individual standardized safety entrance switch and cut-out.

12. ONE METER PER SERVICE

All service will be taken at one Point of Delivery designated by the Company and at one of the Company's standard types of service. Electric energy is to be measured by a single Meter of each kind needed at each Point of Delivery for each Customer served.

Two or more Points of Delivery to one Customer, for the same character of service, will be considered as separate services, and bills will be separately calculated for each Point of Delivery unless special circumstances exist and written agreements are made with the Company. In no case may a Customer extend wiring or lines in order to furnish electric energy to any other premises through one Meter, even though such premises may be owned or occupied by the Customer.

13. METER ACCURACY

At the request of a Customer, the Company will, make, without charge, a test of the

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accuracy of the Customer's Meter. The test will be conducted during the Company's normal working hours at a time convenient to the Customer if the Customer desires to observe the test or have an authorized representative observe the test. The test will be conducted on the Customer's premises, but may, at the Company's discretion, be made at the Company's test laboratory.

If, at the Customer's request, the Meter has been tested by the Company or by an authorized agency, and, within a period of four (4) years, the Customer requests a new test, the Company will conduct the test, but if the Meter is found to be within the accuracy standards established by the American National Standards Institute, the Company may charge the Customer a fee that reflects the cost to test the Meter. This charge will be at the amount from the Company's Rate Schedule No. 99, Miscellaneous Service Charges. Following the completion of any requested test, the Company will promptly advise the Customer of the date of removal of the Meter, date of the test, result and who conducted the test. If any Meter is found to be outside of the established accuracy standards, the Company will make proper correction of previous readings for the period of six (6) months immediately preceding the removal of such Meter from service for test, or from the time the Meter was in service since last tested, but not exceeding six (6) months.

The Company will provide a refund only to the Customer last served by the Meter prior to the testing. If a Meter is found not to register for any period, unless bypassed or tampered with, the Company will make a charge for units used, but not metered, for a period not to exceed six (6) months based on amounts used by the Customer under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years.

14. STANDBY OR AUXILIARY SERVICE

The Company will render standby or auxiliary service to Customers having other power or power generating equipment and facilities pursuant to the requirements of the Public Utility Regulatory Act, Commission Substantive Rules, and the Company's own tariff schedule(s).

15. ACCESS TO CUSTOMER'S PREMISES

The duly authorized agents of the Company possessing proper credentials must have access at all reasonable hours to the premises of the Customer for the purpose of inspecting wiring and apparatus, removing the Company's property, reading Meters and other purposes incident to the delivery of service by the Company. The Company, however, does not assume the duty of inspecting the Customer's wiring, machinery, or apparatus on the Customer's side of the Point of Delivery and will not be responsible therefore.

16. PROTECTION OF COMPANY'S PROPERTY

The Customer will properly protect the Company's property located on the Customer's premises. In the event of any loss or damage to the Company's property caused by or arising out of carelessness, neglect, or misuse by Customer or other

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unauthorized parties, the cost of making good such loss or repairing such damage will be paid by the Customer.

17. ADDITIONAL CUSTOMER RESPONSIBILITY AND INDEMNIFICATION OF COMPANY

- a. The Customer will indemnify, save harmless and defend the Company against all claims, demands, cost or expense, for loss, damage or injury to persons or property, in any manner directly or indirectly connected with, or growing out of transmission and use of electricity by the Customer at or on the Customer's side of the Point of Delivery and not directly attributable to the Company's negligence.
- b. The Customer will indemnify, save harmless and defend the El Paso Electric Company, its directors, officers, agents, representatives or employees from all claims, demands, costs, damages, liabilities or expenses, including but not limited to attorney's fees, resulting from any injury to persons (including death) or damages or destruction of property resulting from the delivery to and use of electricity by the Customer at or on the Customer's side of the Point of Delivery to the extent not attributable to the negligence of the Company, its directors, officers, agents, representatives or employees.
- c. For the mutual protection of the Customer and the Company, only authorized employees of the Company are permitted to make and energize the connections between the Company's Service Wires and either the Customer Service Leads or the Customer service entrance conductors. The Company does not assume any duty of inspecting the Customer's lines, wires, switches or other equipment and will not be responsible therefor. **To the extent allowed by law, the Customer agrees to defend, indemnify and hold Company and its agents harmless from and against all claims, causes of action, liability, losses, costs and expenses (including attorney's fees) of any kind made against the Company for personal injury, death, property damage, or other damage arising out of or resulting (i) from the design, installation, operation or maintenance of the lines, wires, switches, or other equipment on the Customer's side of the Point of Delivery or (ii) from contact by the Customer, its invitees, or licensees with a Company's overhead or underground line through use of equipment, machinery, tool, material, or contact by any other object within the Customer's control without forty-eight (48) hours advance notice to the Company's dispatcher of the Customer's intent to perform any function or activity with such equipment, machinery, tool, material, or other object if it is possible for a person performing any such function or activity to be brought within ten feet of a Company overhead or underground line, even if and regardless of whether such injury, death, or damage is caused by the joint or concurrent negligence of the Company or its agents. Overhead and underground lines will include any and all Company Service Wires up to the Customer's Service Leads or service entrance conductors.**

18. RIGHT-OF-WAY

Without reimbursement by the Company, the Customer will furnish to the Company

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all permits, certificates and/or rights-of-way necessary for the Company to cross the property owned or controlled by the Customer for the Company's overhead or underground lines or extensions thereof necessary or incidental for the supply of electricity to the Customer.

The Company will use reasonable diligence in protecting the property owner when providing or maintaining overhead or underground service connections. The Company has the right to clear its service connection of any interfering tree, shrub or other obstruction; except when the property owner objects to such clearance, the Company may change or relocate the service connection to meet its requirements, and the full cost of the change or relocation will be borne by the Customer or property owner.

19. ATTACHMENT TO COMPANY'S PROPERTY

The use of the Company's poles, wires, towers, structures or other facilities by the Customer for the purpose of fastening or supporting any radio equipment, or any lights, wires, ropes, signs, banners or anything of any nature not necessary to the delivery by the Company of electric service to the community, or the locating of same in such proximity to the Company's aforesaid property or facilities as to cause, or be likely to cause, interference with the delivery of electric service, or a dangerous condition in connection therewith, is prohibited. The Company has the right to immediately remove same without notice.

20. INCREASING OR DECREASING CONNECTED LOAD

The Customer will not increase the Connected Load except upon notice to and consent by the Company, and, in the event of any such increase in the Connected Load, the Customer must pay for such increase or altered service pursuant to the appropriate tariff schedule(s). If requested by the Company, the Customer will execute a new Agreement at the Company's regular published rate covering the total Connected Load as so increased.

The Company's service conductors, transformers, meters and other devices used to supply electric energy to the Customer each have a definite capacity, and no addition to the Customer's Installed Connected Load thereto will be permitted until the Customer has secured the Company's consent. A violation of this rule makes the Customer liable for any damage resulting there from. In case the Customer's Connected Load is decreased, it is the responsibility of the Customer to notify the Company, in writing, of such decrease before obtaining any benefit in rates from such decrease.

21. LIMITATION OF USE

Electricity purchased from the Company must be used by the Customer only for the purpose specified in the Agreement for the Purchase of Electric Service, and the Customer will not sell or otherwise dispose of electricity, except with the written consent of the Company.

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22. INTERRUPTION OF SERVICE

The Company will use reasonable diligence in providing a regular and uninterrupted supply of electricity to the Customer but does not guarantee a constant supply of electricity. The Company is not liable for damage that occurs as a result of any fluctuation or interruption that is (a) caused by or results from, in whole or in part, governmental action, litigation, war, public enemies, strikes, acts of God, inclement weather, order of any court or judge granted in a bona fide adverse legal proceeding, fuel shortages, or any order of any commission or tribunal having competent jurisdiction, (b) necessary for repairs or changes in the Company's generating equipment or transmission or distribution systems, (c) due to the negligence of the Company, its employees, servants or agents, and does not constitute gross negligence or willful misconduct, or (d) caused by any other act, event, or occurrence beyond the Company's reasonable control. The Customer expressly waives any right to assert claims against the Company for damages caused by any fluctuation or interruption described in this paragraph. In the event of the Company's gross negligence or willful misconduct, the Company's liability under this paragraph will be limited to the cost of necessary repair or replacement of tangible property damaged or destroyed by the interruption or fluctuation.

The Company may, without liability, interrupt service to any Customer in the event of any condition that poses a threat to the area power supply if, in the Company's sole judgment, such action may prevent or alleviate such condition.

23. SUSPENSION OF SERVICE FOR REPAIRS AND CHANGES

When necessary to make repairs or changes in the Company's generating equipment or transmission or distribution systems, the Company may suspend service for such periods as may be reasonably necessary, and in such manner as not to inconvenience the Customer unnecessarily. The Company will be liable to the Customer for any damages occasioned by such suspension only when the damages are the result of gross negligence or willful misconduct on the part of the Company. In the event of the Company's gross negligence or willful misconduct, the Company's liability under this paragraph will be limited to the cost of necessary repair or replacement of tangible property damaged or destroyed by the interruption or fluctuation. The Company will endeavor to give reasonable notice to the Customer of the Company's intention to suspend service pursuant to this provision.

24. CHARACTERISTICS OF SERVICE

Based on the availability of the voltage required by the Customer and the expense of additional equipment and installation needed to serve the Customer, the Company will provide single phase or three phase service at one of the Company's standard voltages. Motor requirements for single and three phase service can be found in the Company's Electric Service Requirements book.

The Company will provide secondary voltage for loads that require voltages up to 600 volts. The Company will provide primary voltage service for loads that require

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voltages between 2,400 volts and 25,000 volts. The Company will provide transmission voltage service for loads that require voltages of 69,000 volts or greater. The provision of primary or transmission voltage services must be negotiated with the Company.

25. OWNERSHIP OF EQUIPMENT

All equipment furnished and installed by the Company will be and will remain the property of the Company unless purchased by the Customer.

26. RESPONSE TO REQUEST FOR SERVICE

The Company will serve each qualified Applicant within the area certified by the Public Utility Commission of Texas as rapidly as practical. The following requirements apply to electric service provided by the Company:

The Company will process applications for new electric service not involving line extensions or construction of new facilities within seven (7) working days after an Applicant has met the credit requirements of these Rules and Regulations. The Company will process applications for electric residential service requiring line extension as quickly as possible and will complete such requests within ninety (90) days or within a time period agreed to by the Customer and the Company.

If facilities must be constructed, the Company will inform the Customer within ten (10) working days of receipt of the line extension application, giving the customer an estimated completion date and an estimated cost for all charges to be incurred by the Customer.

Following assessment of necessary line work, the Company will explain to the Customer any construction cost options such as rebates to the Customer, sharing of construction costs between the Company and the Customer, or sharing of costs between the Customer and other Applicants.

SECTION III

PROVISION OF SERVICE

1. REFUSAL OF SERVICE

- a. The Company may decline to serve an Applicant until such Applicant has complied with state and municipal regulations and approved Rules and Regulations of the Company governing the service applied for or for any one of the following reasons:
 - (i) Applicant's facilities inadequate. If the Applicant's installation or equipment is known to be hazardous or of such character that satisfactory service cannot be provided;
 - (ii) Violation of tariffs. If the Applicant fails to comply with the Company's tariffs

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- pertaining to operation of nonstandard equipment or unauthorized attachments;
- (iii) Failure to pay guarantee. If the Applicant has acted as a guarantor for another Customer and failed to pay the guaranteed amount, where such guarantee was made in writing to the Company and was a condition of service;
 - (iv) Intent to deceive. If the Applicant applies for service for a location where another Customer received, or continues to receive, service and the electric utility bill is unpaid at that location and the Company can prove the change in identity is made in an attempt to help the other Customer avoid or evade payment of an electric utility bill;
 - (v) For indebtedness. If the Applicant is indebted to any electric utility for the same kind of service as that applied for; provided, however, that, in the event the indebtedness of the Applicant is in dispute, the Applicant will be served upon complying with the Company's deposit requirements which are set under the Commission's Substantive Rules; or
 - (vi) Refusal to pay deposit. For refusal to pay a deposit if Applicant is required to make a deposit under these sections.
- b. In the event that the Company refuses to serve an Applicant under the provisions of these Rules and Regulations, the Company will inform the Applicant of the basis of its refusal and that the Applicant may file a complaint with the appropriate regulatory authority.
- c. The following does not constitute sufficient cause for refusal of service to an Applicant:
- (i) Delinquency in payment for service by a previous occupant of the premises to be served;
 - (ii) Failure to pay for merchandise, or charges for non-regulated services purchased from the Company;
 - (iii) Failure to pay a bill that includes more than the allowed six (6) months of underbilling, unless the underbilling is the result of theft of service; or
 - (iv) Failure to pay the bill of another Customer at the same address except where the change of Customer identity is made to avoid or evade payment of an electric bill.

2. CUSTOMER AND APPLICANT DEPOSIT

- a. The Company may require an Applicant for residential service to establish and maintain satisfactory credit as a condition of providing service. Establishment of credit will not relieve any Customer from complying with the Company's requirements for prompt payment of bills. The creditworthiness of spouses established during shared service in the twelve (12) months prior to their divorce will be equally applied to both spouses for twelve (12) months immediately after their divorce.
- b. An Applicant for residential service can demonstrate satisfactory credit and will not be required to pay an initial deposit if the Customer meets any one of the

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criteria listed below:

- (i) The Applicant has been a customer of any electric utility for the same kind of service within the last two (2) years; is not delinquent in payment of any such electric utility service account; during the last twelve (12) consecutive months of service was not late in paying a bill more than once; did not have service disconnected for nonpayment; and is encouraged to obtain a letter of credit history from the Applicant's previous electric utility.
 - (ii) The Applicant demonstrates a satisfactory credit rating by appropriate means, including, but not limited to, the production of: generally acceptable credit cards; letters of credit reference; the names of credit references that can be quickly and inexpensively contacted by the Company; or ownership of substantial equity that is easily liquidated.
 - (iii) The Applicant is sixty-five (65) years of age or older and does not have an outstanding account balance incurred within the last two (2) years with the Company or another electric utility for the same type of utility service.
 - (iv) The Applicant has been determined to be a victim of family violence as defined in the Texas Family Code §71.004, by a family violence center as defined in Texas Human Resources Code §51.002, by treating medical personnel, by law enforcement personnel, by the Office of a Texas District Attorney or County Attorney, by the Office of the Attorney General, or by a grantee of the Texas Equal Access to Justice Foundation. This determination must be evidenced by submission of a certification letter developed by the Texas Council on Family Violence. The certification letter may be submitted directly by use of a toll-free fax number to the Company.
- c. If satisfactory credit cannot be demonstrated by an Applicant for residential service using the criteria listed above, the Company may require such Applicant to pay an initial deposit. An Applicant for residential service or a Customer who is required to pay a deposit may provide the Company with a written letter of guarantee pursuant to these Rules and Regulations instead of paying a cash deposit. The Company will not require a deposit from an existing Customer unless the Customer was late paying a bill more than once during the last twelve (12) months of service or had service disconnected for nonpayment. The Company may require the Customer to pay this deposit within ten (10) days after issuance of a written disconnection notice that requests such deposit. Instead of a deposit, the Customer may pay the total amount due on the current bill by the due date of the bill, provided the Customer has not exercised this option in the previous twelve (12) months.
- d. For non-residential service, if an Applicant's credit has not been demonstrated satisfactorily to the Company, the Applicant may be required to pay a deposit. The total of all deposits will not exceed an amount equivalent to one-sixth (1/6) of the Customer's estimated annual billing.
- e. The Company may require an additional deposit if the average of the Customer's actual billings for the last twelve (12) months is at least twice the amount of the original estimated annual billings and a disconnection notice has been issued for the account within the previous twelve (12) months. The Company may require

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that an additional deposit be paid within ten (10) days after it has issued a written disconnection notice and requested the additional deposit. Instead of an additional deposit, the Customer may pay the total amount due on the current bill by the due date of the bill, provided the Customer has not exercised this option in the previous twelve (12) months. The Company may disconnect service if the additional deposit is not paid within ten (10) days of the request, provided a written disconnection notice has been issued to the Customer. A disconnection notice may be issued concurrently with either the written request for the additional deposit or current usage payment.

- f. For temporary or seasonal service or weekend residences, the Company may require a deposit sufficient to reasonably protect it against the assumed risk.
- g. If service to an Applicant or Customer is not connected by the Company or is disconnected for any reason, the Company will refund the Applicant's/Customer's deposit plus accrued interest on the balance, if any, in excess of the unpaid bills for service furnished.
- h. When a Customer has paid bills for electric service for twelve (12) consecutive Residential billings or for twenty-four (24) consecutive Non-Residential billings without having service disconnected for non-payment of a bill and without having more than two (2) occasions in which the bill was delinquent, and when the Customer is not delinquent in the payment of his/her current bills, the Company will refund the deposit plus accrued interest to the Customer. If the Customer does not meet these refund criteria, the Customer's deposit may be retained by the Company.
- i. The Company will pay interest on Customer deposits at an annual rate at least equal to that set by the Commission on December 1 of the preceding year, pursuant to Texas Utilities Code §183.003 (relating to Rate of Interest). If a deposit is refunded within thirty (30) days of the date of deposit, the Company will not make an interest payment. If the Company keeps the deposit more than thirty (30) days, payment of interest will be made retroactive to the date of deposit. Payment of the interest to the Customer will be made annually, if requested by the Customer, or at the time the deposit is returned or credited to the Customer's account. The deposit will cease to draw interest on the date it is returned or credited to the Customer's account.
- j. In lieu of a deposit, a Residential Customer may submit an "Absolute Guaranty of Payment of Obligation of Electric Service" ("Guarantee Agreement") between the Company and a guarantor for no more than the amount of deposit the Company would require on the Applicant's or Customer's account [see Sheet Number 7]. The amount of the guarantee will be clearly indicated in the Guarantee Agreement. Upon default by a residential Customer, the guarantor of that Customer's account will be responsible for the unpaid balance of the account only up to the amount agreed to in the Guarantee Agreement. The Company will provide written notification to the guarantor of the Customer's default, the amount owed by the guarantor, and the due date for the amount owed. The Company will allow the guarantor sixteen (16) days from the date of notification to pay the

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amount owed on the defaulted account. If the sixteenth day falls on a holiday or weekend, the due date will be the next workday. The Company may transfer the amount owed on the defaulted account to the guarantor's own service bill provided the guaranteed amount owed is identified separately on the bill. The Company may disconnect service to the guarantor for nonpayment of the guaranteed amount only if the disconnection was included in the terms of the written agreement, and only after proper notice.

If service to an Applicant or Customer is not connected, or is disconnected, the Company will void and return to the guarantor the Guarantee Agreement or provide written documentation that the contract has been voided. When the Customer has paid bills for service for twelve (12) consecutive billings without having service disconnected for nonpayment of a bill and without having more than two occasions in which a bill was delinquent, and when the Customer is not delinquent in the payment of the current bills, the Company will void and return the Guarantee Agreement or provide written documentation that the contract has been voided. If the Customer does not meet these refund criteria, the Guarantee Agreement may be retained.

- k. Every Applicant who previously has been a Customer of the Company and whose service has been disconnected for nonpayment of bills or theft of service (meter tampering or bypassing of meter) will be required, before service is reconnected, to pay all amounts due or execute a Deferred Payment Plan Agreement, if offered, and reestablish credit. The Company must prove the amount of utility service received but not paid for and the reasonableness of any charges for the unpaid service, and any other charges required to be paid as a condition of service restoration.

3. BILLS FOR SERVICE

- a. Unless otherwise authorized by the Commission, or unless service is rendered for a period of less than a month, the Company will render bills for electric service on a monthly basis. The Company will issue bills to Customers as promptly as possible after reading the Customer's meter. The due date of the bill for utility service will not be less than sixteen (16) days after issuance. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next working day after the due date. The billing period will be construed to mean any period between two (2) meter readings taken for billing purposes, and will normally cover a period of approximately thirty (30) days. A payment for electric service is delinquent if not received by the Company or at the Company's authorized payment agent by the close of business on the due date.

The Customer's obligation to pay their bill is not released or diminished by non-receipt of bills.

- b. The Company may assess a one-time penalty of five (5) percent on delinquent bill payment of non-residential customers. The Company will not assess any penalty on delinquent payment of residential bills. The five (5) percent penalty on delinquent bill payment of non-residential customers will not be applied to any

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balance to which the penalty was applied in a previous billing. All payments by a state agency, as those terms are defined in Chapter 2251 of the Tex. Gov't. Code shall be due and bear interest as provided in that chapter.

- c. A Deferred Payment Plan Agreement is a written agreement between the Company and a Residential Customer that allows the Customer to pay an outstanding bill in installments that extend beyond the due date of the next bill. [see Sheet Number 6] The Company offers, upon request, a Deferred Payment Plan Agreement to any Residential Customer, including a guarantor of any residential Customer, who has expressed an inability to pay all of his/her bill if the Customer has not been issued more than two (2) disconnection notices at any time during the preceding twelve (12) months. A Deferred Payment Plan Agreement will provide that the delinquent amount may be paid by the Customer in equal amounts lasting at least three (3) billing cycles.

At the Company's option, the Company may decide not to enter into a Deferred Payment Plan Agreement with any Residential Customer who is lacking sufficient credit or a satisfactory history of payment for previous service when that Customer has had service from the Company for no more than three (3) months.

The Residential Customer may make a deferred payment arrangement by visiting the Company's business office or contacting the Company by telephone. If the Customer visits the Company's business office, the Company may ask the Customer to sign the Deferred Payment Plan Agreement. The Company will provide the Customer with a copy of the signed Agreement. If the Agreement is made over the telephone, the Company will send a copy of the Agreement to the Customer.

A Deferred Payment Plan Agreement:

- may include a 5 percent penalty for late payment but will not include a finance charge;
- will state the length of time covered by the plan;
- will state the total amount to be paid under the plan;
- will state the specific amount of each installment;
- will allow the Company to disconnect service if the customer does not fulfill the terms of the Agreement;
- must be signed by the Customer, and a copy of the Agreement will be provided to the Customer; and
- will allow either the Customer or the Company to initiate a renegotiation of the Agreement if the Customer's economic or financial circumstances change substantially during the term of the Agreement.

The Company will not refuse customer participation in the Deferred Payment Plan on the basis of race, color, nationality, religion, sex or marital status.

If a Customer has not fulfilled terms of a Deferred Payment Plan Agreement, the Company will have the right to disconnect the Customer's electric service pursuant to the Company's Rules and Regulations. However, the Company will

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not disconnect service until a Disconnect Notice has been issued to the Customer indicating the Customer has not met the terms of the Deferred Payment Plan Agreement. The Company may, under such circumstances, but is not required to, offer subsequent negotiation of a Deferred Payment Plan Agreement prior to disconnection.

- d. The Company offers a Residential Budget Billing Plan to elderly or chronically ill Residential Customers who may be on fixed incomes and to other Customers who have similarly unique financial needs. The Budget Billing Plan Agreement allows eligible residential Customers to pay on a monthly basis a fixed billing rate of one-twelfth (1/12) of that Customer's estimated annual consumption at the appropriate Customer class rates, with provisions for periodic adjustments on at least an annual basis as may be determined based on actual usage. The Company may require a deposit from all Customers entering into a Residential Budget Billing Plan Agreement.

If a Customer does not fulfill the terms and obligations of the Residential Budget Billing Plan Agreement, the Company has the right to disconnect service to that Customer pursuant to the Company's disconnection rules.

4. DISCONNECTION OF SERVICE

- a. If a bill has not been paid or a Deferred Payment Plan Agreement entered into within twenty-six (26) days from the date of issuance of a bill and if proper notice has been given, the Company may, in addition to all other legal remedies, terminate an Agreement or disconnect Customer's service. The Company may disconnect Customer's service after proper notice for any of the following reasons:
 - (i) Customer's failure to pay a delinquent account for service or make deferred payment arrangements by the date of disconnection;
 - (ii) Customer's failure to comply with the terms of a Deferred Payment Plan Agreement;
 - (iii) Customer's violation of the Company's Rules and Regulations pertaining to the use of service in a manner that interferes with the service of others or the operation of a nonstandard equipment, if a reasonable attempt has been made to notify the Customer and the Customer is provided with a reasonable opportunity to remedy the situation;
 - (iv) Customer's failure to pay a deposit as required by these Rules and Regulations;
 - (v) failure of the guarantor to pay the amount guaranteed, where the Company has a written agreement, signed by the guarantor, that allows for the disconnection of the guarantor's service; or
 - (vi) Customer's failure to fulfill the terms and obligations of a Level Payment Plan Agreement.
- b. Proper notice consists of a separate mailing or hand delivery at least ten (10) days prior to a stated date of disconnection, with the words "disconnection notice" or similar language prominently displayed on the notice. The information included

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in the notice will be provided in English and Spanish as necessary to adequately inform the Customer. In the disconnection notice, a statement will appear notifying the Customer that, if they are in need of assistance with the payment of their bill by the due date, or if they are ill and unable to pay their bill, they may be able to make some alternative payment arrangement, establish a deferred payment plan, or possibly secure payment assistance. The notice will advise the Customer to contact the Company for more information. Payment at a Company's authorized payment agency is considered payment to the Company. The Company will not issue a disconnection notice to the Customer before the first day the bill is due.

- c. The Company may disconnect Customer's service without prior notice for any of the following reasons: (1) where a known dangerous condition exists for as long as the condition exists, (2) where service is connected without authority by a person who has not made application for service, (3) where service was reconnected without authority following termination of service for nonpayment, or (4) where there has been meter tampering with the Company's equipment or evidence of theft of service. Where reasonable, given the nature of the hazardous condition, the Company will post a notice of disconnection and the reason for the disconnection at the place of common entry or upon the front door of each affected residential unit as soon as possible after service has been disconnected.
- d. The Company will not disconnect a Customer's service for any of the following reasons:
 - (i) delinquency in payment for utility service by a previous occupant of the premises;
 - (ii) Customer's failure to pay for merchandise, or charges for non-regulated service provided by the Company;
 - (iii) Customer's failure to pay for a different type or class of utility service unless charges for such service were included on the bill at the time service was initiated;
 - (iv) Customer's failure to pay disputed charges, except for the required Level Payment Plan payment, until a determination as to the accuracy of the charges has been made by the Company or the Commission, and the Customer has been notified of the determination;
 - (v) Customer's failure to pay charges arising from an underbilling, except for charges arising from theft of service, more than six (6) months prior to the current billing;
 - (vi) Customer's failure to pay charges arising from an underbilling due to any faulty metering, unless the meter has been tampered with or unless such underbilling charges are due under these Rules and Regulations; or
 - (vii) Customer's failure to pay an estimated bill other than a bill rendered pursuant to an approved meter reading plan, unless the Company is unable to read the meter due to circumstances beyond its control.
- e. Unless a dangerous condition exists, or unless the Customer requests disconnection, the Company will not disconnect service to a Customer on

holidays or weekends, or the day immediately preceding a holiday or weekend, unless the Company's personnel are available on those days to take payments and reconnect service.

- f. The Company will not disconnect service at a permanent individually metered dwelling unit of a Customer who is delinquent in paying his/her bill for electric service when that Customer establishes that disconnection of service will result in some person residing at that residence becoming seriously ill or more seriously ill. Each time a Customer seeks to avoid disconnection of service under this rule, the Customer must: have the attending physician (*i.e.*, any public health official, including but not limited to, medical doctors, doctors of osteopathy, nurse practitioners, registered nurses, and any other similar public health official) call or contact the Company within sixteen (16) days of issuance of the bill; have the attending physician submit a written statement to the Company; and enter into a Deferred Payment Plan Agreement. The Company will not disconnect service to such Customer for a period of at least sixty-three (63) days from the issuance of the electric bill or a shorter period agreed upon by the Company and the Customer or physician.
- g. The Company will not disconnect service to a residential Customer who is delinquent in paying his/her bill for electric service for a billing period in which the Company receives a pledge, letter of intent, purchase order, or other notification that an energy assistance provider is forwarding sufficient payment to continue service.
- h. The Company will not disconnect service to a residential Customer when the previous day's highest temperature did not exceed 32°F and the temperature is predicted to remain at or below that level for the next twenty-four (24) hours, according to the nearest National Weather Service (NWS) reports, or when the NWS issues a heat advisory for any county in the Company's service territory or when such advisory has been issued on any one of the preceding two (2) calendar days.
- i. Once the Company has issued a Notice of Disconnection of Service, and if the Customer has not entered into a Deferred Payment Plan Agreement, the Customer must pay his/her bill in full at one of the Company's business offices by the close of business (4:00 p.m.) or at one of the Company's authorized payment agents prior to 6:00 p.m. on the date the payment is due. **PAYMENTS PLACED IN ONE OF THE COMPANY'S 24-HOUR DROP BOXES MUST BE PLACED IN THE DROP BOX BY 4:00 P.M. TO BE CONSIDERED RECEIVED THE SAME DAY.** Payments deposited in one of the Company's 24-hour drop boxes after 4:00 p.m. are considered received the following day.

5. DISPUTED BILLS

If a Customer has a dispute regarding his/her bill for electric services, the Company will investigate and report the results of the investigation to the Customer. If the dispute is not resolved, the Company will inform the Customer of the complaint procedures of the Commission.

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A Customer's electric service will not be disconnected for nonpayment of the disputed portion of a bill until the dispute is completely resolved by the Company. However, the Customer is obligated to pay any billings not disputed. If the Customer files a complaint with the Commission, the Customer's service will not be disconnected by the Company for nonpayment of the disputed portion of the bill before the Commission completes its informal complaint resolution process and informs the Customer of its determination.

6. SELECTION OF RATE SCHEDULES

Each Customer may use electric service under the schedule most advantageous to him/her, provided the terms prescribed in the schedule selected apply to the Customer's equipment and use of electricity.

When more than one schedule is applicable, the Customer must select the schedule under which service is to be furnished. The Company will assist the Customer in making this selection, but the responsibility of this selection rests entirely with the Customer.

7. OVERBILLING AND UNDERBILLING

If charges for Company service are found to differ from the Company's lawful rates for the services being purchased by the Customer, or if the Company fails to bill the Customer for such service, a billing adjustment will be calculated by the Company. If the Customer is due a refund, an adjustment will be made for the entire period of the overbilling. If an overbilling is adjusted by the Company within three billing cycles of the bill in error, interest will not accrue. Unless otherwise provided in this section, if an overbilling is not adjusted by the Company within three (3) billing cycles of the bill in error, interest will be applied on the amount of the overbilling at the rate set by the Commission annually for the calendar year. Such interest will accrue from the date of payment from the date of the bill in error. Interest will not apply to Residential Level Payment Plan Agreements or estimated billings that are authorized by statute or rule.

The Company may backbill the Customer for the amount that was underbilled. The backbilling will not exceed six (6) months from the date the Company discovered the error unless such undercharge is a result of theft of service by the Customer. The Company may disconnect service if the customer fails to pay underbilled charges. If the underbilling is \$50 or more, the Company will offer the Customer a Deferred Payment Plan option for the same length of time as that of the underbilling. In cases of meter tampering, bypass, or diversion, the Company may offer a Customer a Deferred Payment Plan option. Interest will not apply to underbilled amounts unless such amounts are found to be the result of theft of service (meter tampering, bypass, or diversion) by the Customer. Interest on underbilled amounts will accrue from the day the Customer is found to have first stolen (tampered, bypassed or diverted) the service.

8. ESTIMATED BILLS

When there is good reason for doing so, the Company may submit estimated bills

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provided that an actual meter reading is taken at least every three (3) months. In months where the Meter Reader is unable to gain access to the premises to read the meter on regular meter reading trips or in months where meters are not read, the Company will provide the Customer with a postcard and request the Customer to read the meter and return the card to the Company. If such postcard is not received by the Company in time for billing, the Company will estimate the meter reading and render a bill accordingly.

9. ALTERNATE PAYMENT PROGRAMS AND PAYMENT ASSISTANCE

When a Residential Customer contacts the Company and indicates their inability to pay a bill or a need for assistance with the bill payment, the Company will inform the Customer of all alternate payment and payment assistance programs available from the Company, such as deferred payment plans, disconnection moratoriums for the ill, or energy assistance programs, as applicable, and of the eligibility requirements and procedures for applying for each.

10. DISCONNECTION OF MASTER-METERED APARTMENTS

When a bill for Company services is delinquent for a master-metered apartment complex (defined as a submetered or nonsubmetered building in which a single meter serves five (5) or more residential dwelling units), the following shall apply:

- (1) The Company will send a disconnection notice to the Customer. At the time such notice is issued, the Company will also inform the Customer that notice of possible disconnection will be provided to the tenants of the apartment complex in six (6) days if payment is not rendered before that time.
- (2) At least six (6) days after providing the disconnection notice to the Customer and at least four (4) days prior to disconnect, the Company will post a minimum of five (5) notices in conspicuous areas in the corridors or other public places of the apartment complex. Language in the notice will be prominently displayed and will read:

Notice to residents of (name and address of apartment complex): electric utility service to this apartment complex is scheduled for disconnection on (date), because (reason for disconnection).

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**AGREEMENT FOR THE PURCHASE OF ELECTRIC SERVICE FROM
EL PASO ELECTRIC COMPANY**

THIS AGREEMENT, entered into this _____ day of _____, 20____, by and between **EL PASO ELECTRIC COMPANY**, a Texas Corporation (hereinafter called "Company"), and _____ (hereinafter called "Customer").

WITNESSETH: That, in consideration to the premises, covenants, and agreements herein contained, the Company and Customer mutually agree to and with each other as follows:

ARTICLE I

Term The term of this Agreement shall be for a period of _____ years from _____, 20____, and shall continue thereafter from year to year unless a written notice to the contrary is given by either party to the other at least thirty (30) days prior to the expiration of the original term or of any renewal thereof.

ARTICLE II

Service Specifications and Point of Delivery Said electric energy, up to a maximum load of approximately _____ kilowatts, shall be furnished in the form of _____ phase alternating current at a nominal voltage of _____ volts and a nominal frequency of 60 cycles per second at a point designated by the Company on the Customer's premises located at _____

ARTICLE III

Use of Service Electric energy furnished under this Agreement shall be normally be served through one main circuit and only at the voltage specified in Article II and no resale of electric energy shall be permitted. The Company agrees to sell to the Customer electric energy for its entire power and lighting requirements at its local _____ at _____ unless otherwise agreed in writing, and the Customer agrees to pay thereafter, subject to and in accordance with the terms of this Agreement.

ARTICLE IV

Rates The Customer agrees to pay the Company for all electric energy delivered in accordance with the terms of this agreement as specified by the rates and provisions attached hereto, which are made a part hereof and are designated as follows:

Section Number _____ 2 _____
Sheet Number _____ 3 _____
Page _____ 1 of 5 _____

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Effective with service on or after _____
April 1, 2016 _____

**AGREEMENT FOR THE PURCHASE OF ELECTRIC SERVICE FROM
EL PASO ELECTRIC COMPANY**

Continuation of Agreement For the Purchase of Electric Service

It is understood and agreed, however, that if said rates or provisions are ordered or authorized changed by any competent governmental, regulatory, or other body having jurisdiction in the premises, such changes shall be applied as if incorporated as a part of this Agreement.

ARTICLE V

Metering

The electric energy furnished hereunder shall be measured at the voltage specified in Article II by such meter or meters as the Company may install.

In case of question as to the accuracy of the Company's measuring instruments, either party shall have the right at any time, upon request, to have them tested, and if necessary, recalibrated with both parties represented at the test.

If the Company's measuring instruments fail to register for any period, unless bypassed or tampered with, the Company shall charge for the power delivered, but not metered, for a period not to exceed three months based upon amounts used under similar conditions during the period preceding or subsequent thereto, or during corresponding periods in previous years. When the Company's measuring instruments fail to register accurately, the Customer's billing may be adjusted for a period not to exceed six (6) months unless the meter has been tampered with or bypassed.

ARTICLE VI

**Installation and
Apparatus**

The Customer agrees not to connect to the Company's service any motors or other apparatus that have not had the approval of the Company and further shall not install electrical apparatus on the lines of the Company that will in any way cause undue fluctuation of voltage on the distribution system of the Company or that will interfere with the successful operation thereof.

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AGREEMENT FOR THE PURCHASE OF ELECTRIC SERVICE FROM
EL PASO ELECTRIC COMPANY

Continuation of Agreement For the Purchase of Electric Service

ARTICLE VII

Interruption of
Supply

The Company will use reasonable diligence in providing a regular and uninterrupted supply of electricity to the Customer but does not guarantee a constant supply of electricity. The Company is not liable for damage that occurs as a result of fluctuation or interruption that is (a) caused by or results from, in whole or in part, governmental action, litigation, war, public enemies, strikes, acts of God, inclement weather, order of any court or judge granted in a bona fide adverse legal proceeding, fuel shortages, or any order of any commission or tribunal having competent jurisdiction, (b) necessary for repairs or changes in the Company's generating equipment or transmission or distribution systems, (c) due to the negligence of the Company, its employees, servants or agents, and does not constitute gross negligence or willful misconduct, or (d) caused by any other act, event, or occurrence beyond the Company's reasonable control. The Customer expressly waives any right to assert claims against the Company for damages caused by any fluctuation or interruption described in this paragraph. In the event of the Company's gross negligence or willful misconduct, the Company's liability under this paragraph will be limited to the cost of necessary repair or replacement of tangible property damaged or destroyed by the interruption or fluctuation.

The Company may, without liability, interrupt service to any Customer in the event of any condition that poses a threat to the area power supply if, in the Company's sole judgment, such action may prevent or alleviate such condition.

ARTICLE VIII

Default by
Customer

If the Customer shall make default in the performance of any of his Customer obligations under this Agreement, the Company may suspend service, such suspension not to interfere with the enforcement by the Company of any rights under this Agreement or of any other legal right or remedy. Any delay by the Company in enforcing any of its rights hereunder shall not be deemed a waiver of such rights, nor shall a waiver by the Company of one of the Customer's defaults be deemed a waiver of any other or subsequent default.

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**AGREEMENT FOR THE PURCHASE OF ELECTRIC SERVICE FROM
EL PASO ELECTRIC COMPANY**

Continuation of Agreement For the Purchase of Electric Service

Should the Customer at any time be in default in the payment of sums due under this Agreement, as specified in the attached tariff, then this entire agreement shall, at the election of the Company, be wholly at an end and the parties shall thereby be severally released from all obligations hereunder, save in rights of action then already accrued.

Any dispute with reference to the amount due for power shall not excuse the Customer from paying at the time when payment is called for by this Agreement or the attached tariff, the amount stated by the Company to be due, but the Customer shall be entitled to recover any amount which he may have paid in excess of the amount actually found to be due.

ARTICLE IX

**Suspension of
Service**

In case the Customer is unable to operate his plant or other of Service equipment in full or in part by reason of accident, act of God, fire, or strike of the Customer's employees, or other similar cause beyond the reasonable control of the Customer and without his neglect the Company will sell and deliver to the Customer electric service to be used at the plant being served under this Agreement during such time as may be reasonably necessary to correct any of the aforesaid conditions on any of the Company's standard rate schedules applicable to the then existing conditions rather than at the rate schedule and under the terms and conditions provided for in this Agreement, but it is agreed that for every month or portion thereof during which service is furnished the Customer under this Article this Agreement shall be extended for a corresponding period beyond its expiration date.

ARTICLE X

Franchises

The covenants of the Company herein contained are conditional upon its securing, at a cost agreeable to it and intervening property owners without expropriation, the necessary rights-of-way, privileges and franchises to enable it to make delivery under this Agreement.

ARTICLE XI

Liability

The electric energy under this agreement is supplied by the Company and purchased by the Customer upon the express condition that the energy so supplied, after it passes the metering equipment of the Company, or other point of delivery, becomes the property of the Customer, to be used only as herein provided; and the Company shall not, in any event, be liable for loss

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**AGREEMENT FOR THE PURCHASE OF ELECTRIC SERVICE FROM
EL PASO ELECTRIC COMPANY**

Continuation of Agreement For the Purchase of Electric Service

or damage to any person or property whatsoever, resulting directly or indirectly from the use, misuse, or presence of the said electric energy on the Customer's premises, or elsewhere, after it passes the Company's metering equipment, or other point of delivery; or for any loss of damage resulting from the presence, character, or condition of the wires or appliances of the Customer, or for the inspection or repairs thereof.

ARTICLE XII

Assignment This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto, but the Customer shall not assign any of his rights under this agreement without the written consent of the Company.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their officers, each thereunto duly authorized, the day and year first above written.

CUSTOMER

By _____

EL PASO ELECTRIC COMPANY

By _____

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EL PASO ELECTRIC COMPANY
DEFERRED PAYMENT PLAN AGREEMENT

Name: _____
Address: _____
Account No.: _____
Agreement Amount: \$ _____
Reason for Contract: _____

CONTRACT

In consideration of the mutual promises stated below, El Paso Electric Company (EPE) and _____ (Customer) hereby agree as follows:

In order to bring past due amounts current or to rectify the "Reason for Contract" stated above, Customer will pay EPE according to the terms of the promissory note appearing on this page. The amount due on such note will appear as a balance on Customer's forthcoming monthly electric service bills. The note payment and the current monthly bill shall be due and payable upon receipt. Customer shall be in default of this contract and the note if EPE is not paid within 16 days of issuance of the monthly bill.

EPE will continue to serve Customer with electric service for so long as Customer is not in default of this contract and the note. In the event Customer's service is disconnected as a result of default hereunder, Customer will pay the entire balance due on the note plus a reconnect charge prior to the restoration of service.

IF YOU ARE NOT SATISFIED WITH THIS CONTRACT, OR IF AGREEMENT WAS MADE BY TELEPHONE AND YOU FEEL THIS CONTRACT DOES NOT REFLECT YOUR UNDERSTANDING OF THAT AGREEMENT, CONTACT EPE IMMEDIATELY AND DO NOT SIGN THIS CONTRACT.

IF YOU DO NOT CONTACT EPE, OR IF YOU SIGN THIS AGREEMENT, YOU GIVE UP YOUR RIGHT TO DISPUTE THE AMOUNT DUE UNDER THE AGREEMENT EXCEPT FOR EPE'S FAILURE OR REFUSAL TO COMPLY WITH THE TERMS OF THIS AGREEMENT.

Date: _____ Customer's Signature _____

By: _____
El Paso Electric Company

PROMISSORY NOTE

Date: _____ \$: _____

I promise to pay to El Paso Electric Company, El Paso, Texas, the principal sum of: _____ Dollars (\$ _____) in installments as follows: _____ Dollars (\$ _____) on _____, and the balance in _____ equal monthly installments of _____ Dollars (\$ _____) beginning on _____, until paid in full.

In the event of default in the payment of any of the installments as herein provided, time being of the essence hereof, the holder of this note may without notice or demand declare immediately due and payable the entire principal sum then unpaid.

In the event of commencement of suit to enforce payment of this note, the undersigned agrees to pay such additional sum as attorneys' fees as the court in such action may adjudge reasonable.

Customer's Signature _____

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EL PASO ELECTRIC COMPANY

CONTRATO PARA PLAN DE PAGO APLAZADO

Nombre: _____
Domicilio: _____
Número de Cuenta: _____
Cantidad Convenida: \$ _____
Razón para el Contrato: _____

CONTRATO

En consideración de las mutuas promesas establecidas mas adelante, El Paso Electric Company (EPE) y _____ (Cliente) convienen en lo siguiente:

Con objeto de poner al corriente adeudos atrasados o rectificar la "Razón para el Contrato", arriba mencionada el Cliente pagará a EPE de acuerdo a los términos del Pagaré (Promissory Note) que aparece en esta página. La cantidad adeudada que aparece en el Pagaré aparecera como un Estado de Cuenta en los proximos recibos mensuales de electricidad. El Pagaré y la cuenta mensual de electricidad son pagaderos al recibo de los mismos. Se considerará incumplimiento del contrato y del Pagaré si EPE no ha recibido el pago dentro de los siguientes 16 días de emisión del Estado de Cuenta mensual.

La EPE continuara proporcionando el servicio de electricidad mientras el Cliente cumpla con este Contrato y el Pagaré. En caso de que el servicio de electricidad le sea desconectado al Cliente por incumplimiento de este Contrato, el Cliente deberá pagar la cantidad total adeudada en el Pagaré mas el cargo por reconexión previamente a la reinstalación del servicio.

SI UD. NO ESTÁ SATISFECHO CON ESTE CONTRATO O SI EL ACUERDO FUE HECHO POR TELÉFONO Y SI SIENTE QUE NO REFLEJA EL ENTENDIMIENTO DE LO CONVENIDO, CONTACTE DE INMEDIATO A LA EPE Y NO FIRME ESTE CONTRATO.

SI NO ENTRA EN CONTACTO CON LA EPEC O SI FIRMA ESTE CONVENIO, UD. ESTÁ RENUNCIANDO A SU DERECHO DE DISCUTIR LA CANTIDAD DEBIDA EN LOS TÉRMINOS DE ESTE CONVENIO EXCEPCIÓN HECHA DEL CASO DE INCUMPLIMIENTO POR PARTE DE LA EPE O QUE ESTA SE REHUSE A ACTUAR EN LOS TÉRMINOS DEL CONVENIO.

Fecha: _____ Firma de Cliente: _____
Por: _____
El Paso Electric Company

PAGARÉ

Fecha: _____ \$: _____

Prometo pagar a El Paso Electric Company, El Paso, Texas, la cantidad de _____
Dólares (\$) _____ en abonos como sigue: _____
Dólares (\$) _____ el _____ y
el resto en) _____ pagos iguales mensuales de _____ Dólares
(\$ _____) empezando el _____ hasta ser pagada la cantidad total.

En caso de falta de pago de alguno de los abonos aqui convenidos, siendo la puntualidad base y esencia del Contrato, el propietario del Pagaré (Promissory Note) podra dar por vencido el plazo sin aviso previo y demandar el pago de la cantidad total, de inmediato.

En caso de que se haya iniciado un procedimiento judicial para el cobro del Pagaré, el Cliente acuerda pagar los gastos adicionales tales como los honorarios de los abogados de acuerdo a lo que la Corte juzgue razonable.

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EL PASO ELECTRIC COMPANY
ABSOLUTE GUARANTY OF PAYMENT OF OBLIGATION
FOR ELECTRIC SERVICE

In consideration of the extension of electric service to _____,
hereinafter referred to as "Customer," at _____,
_____, I, _____, hereinafter
referred to as "Guarantor," of _____, absolutely guarantee
payment to El Paso Electric Company for any electric service bill incurred at the address of Customer, as
stated hereinabove, in an amount not to exceed the computed deposit amount of
\$_____ which El Paso Electric Company has established for Customer in the
event that Customer defaults in any or all payments for electric service provided at Customer's address.

If full payment has not been made, or if other acceptable arrangements for payment have not been made
by Customer by the due date specified in the Customer's final bill, the unpaid balance, not to exceed the
above-stated amount of \$_____, shall be transferred to the Guarantor's
active account. Notice will be sent to Guarantor at the time of the transfer.

**FAILURE BY GUARANTOR TO PAY THE CUSTOMER'S DELINQUENT BILL IN ACCORDANCE
WITH THE TERMS OF THIS GUARANTY SHALL RESULT IN THE TERMINATION OF ELECTRIC
SERVICE TO GUARANTOR AT THE GUARANTOR'S RESIDENT ADDRESS IN ACCORDANCE WITH
RULE 25.29 OF THE SUBSTANTIVE RULES OF THE TEXAS PUBLIC UTILITY COMMISSION.**

This guaranty shall remain in effect until the customer has paid electric service bills for the above
address for twelve (12) consecutive billings without having service disconnected for nonpayment of bill
and without having more than three (3) occasions in which a bill was delinquent and when the customer
is not delinquent in the payment of the current bill.

A Notary Public in Texas is not a practicing legal attorney. The guarantor and the guarantee should not
expect to receive legal advice from the Notary Public.

I hereby certify that I have read this entire Guaranty and fully understand and agree to abide by its terms;
in witness whereof I have executed this Guaranty this _____ day of _____, 20____ at
El Paso County, Texas.

Signature of Guarantor

STATE OF TEXAS)
)
COUNTY OF EL PASO)

I, the undersigned notary public for the State of Texas, do hereby certify that the above-named individual
personally appeared before me and under oath verified his review, understanding and acceptance of the
terms contained in the foregoing document.

Notary Public in and for the
State of Texas

Section Number _____ 2 _____
Sheet Number _____ 7 _____
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Effective with service provided on or after _____
April 1, 2016 _____

EL PASO ELECTRIC COMPANY
GARANTIA DE PAGO DEL SERVICIO DE ELECTRICIDAD

En consideración a la extensión del servicio de electricidad a _____, en adelante llamado "Cliente," con domicilio en _____, yo, _____, en adelante llamado "El Fiador," con domicilio en _____, doy garantía absoluta de pago a la Compañía de El Paso Electric de cualquier cantidad que se adeude por concepto de servicio de electricidad en el domicilio del Cliente arriba mencionado, por una cantidad no superior a \$ _____ que es el deposito establecido al Cliente por la Compañía de El Paso Electric en caso de incumplimiento en el pago.

Si el adeudo no ha sido pagado en su totalidad o "El Cliente" no ha hecho arreglos con la Campaña a la fecha del vencimiento para el pago señalado en el recibo, la cantidad no pagada, que no exceda de \$ _____, como se dejo establecido, le será cargada en su cuenta a "El Fiador." El Fiador será notificado al tiempo de aplicar el cargo a su cuenta.

SI EL FIADOR NO PAGA LA CUENTA VENCIDA DE EL CLIENTE DE ACUERDO CON LOS TERMINOS DE ESTA GARANTIA, LE SERA TERMINADO EL SERVICIO DE ELECTRICIDAD A EL FIADOR EN SU DOMICILIO. DE ACUERDO A LA REGLA 25.29 DE LAS REGLAS SUSTANTIVAS DE LA COMISION DE SERVICIOS PUBLICOS DE TEXAS.

Esta garantía permanecerá vigente hasta que "El Cliente" haya pagado 12 (doce) recibos de electricidad consecutivos en su domicilio, sin que el servicio se le haya sido suspendido por falta de pago, sin que su cuenta haya estado vencida en mas de 3 (tres) ocasiones, y que el Cliente este al corriente en sus pagos.

En el estado de Texas, un Notario Publico no tiene facultades legales. El Fiador y la persona interesada no deben contar con consejos legales de un Notario Publico.

Hago constar que he leído en su totalidad este documento de Garantía, que lo entiendo completamente y que me comprometo a cumplirlo en sus terminos, en testimonio de lo aquí expresado formalizó esta Garantía el día _____ del mes de _____ de 20____ en el Condado de El Paso, Texas.

Firma del Fiador

STATE OF TEXAS)
)
COUNTY OF EL PASO)

I, the undersigned notary public for the State of Texas, do hereby certify that the above-named individual personally appeared before me and under oath verified his review, understanding and acceptance of the terms contained in the foregoing document.

Notary Public in and for the
State of Texas

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EL PASO ELECTRIC COMPANY
APPLICATION FOR SERVICE
For Residential Service, Complete the Following:

SOAH Docket No. 473-15-5257
PUC Docket No. 44941
SOAH Docket No. 473-16-1685
PUC Docket No. 45475
Amended and Restated
Stipulation and Agreement
Attachment D
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Legal Name _____
Last First Middle
Previous Address _____ Zip Code _____
Address where service needed _____ Zip Code _____
Mailing Address _____ Zip Code _____
Your Social Security Number _____ Business Phone No. _____
Spouse Name _____ Social Security No. _____
Home Phone _____ Business Phone No. _____

Customer's Signature _____ I.D. _____

Military Personnel, Additional Information:

1. Permanent Address _____
2. 1st Sgt. Or C.O., Name _____ Phone No. _____
3. Unit _____ Length of Tour _____

Service for Businesses, Complete the Following:

1. Business Name _____
2. Business Address _____
3. Mailing Address _____
4. Responsible Party _____ Business Phone No. _____
Home Address _____ Phone No. _____
5. Owner/President _____ Business Phone No. _____
Home Address _____ Phone No. _____

Customer's Signature _____ I.D. _____

TO BE COMPLETED BY OFFICE ONLY

Account Number: _____ Desired Service Date: _____
UAR: Yes _____ No _____ Amt: _____ Acct. No. _____ Transferred: _____ Date: _____
Did the Customer receive a Residential Handbook: _____
Type of Order: Res. _____ Comm. _____ Trailer _____ Lamp _____ S# or T#: _____
NSER Information: Temp. _____ Perm. _____ Refrig. Air/Space Heating _____
Space Heating Only _____ Overhead _____ Underground _____
Deposit Amt: _____ Deposit No.: _____ Deposit Arrangements: _____
Bond: _____ Letter of Credit from other Utility _____
Letter of Responsibility: Cosigner _____
Account No. _____ Telephone No. _____
No Deposit Required: _____ Reason: _____
Order taken by: _____ Date: _____

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EL PASO ELECTRIC COMPANY
SOLICITUD DE SERVICIO
Para Servicio Residencial, Llène Lo Siguiente:

SOAH Docket No. 473-15-5257
PUC Docket No. 44941
SOAH Docket No. 473-16-1685
PUC Docket No. 45475
Amended and Restated
Stipulation and Agreement
Attachment D
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Nombre: _____
Apellido _____ Nombre _____
Domicilio Anterior _____ Código Postal _____
Domicilio donde se Solicita el Servicio _____ Código Postal _____
Mandar Correspondencia a: _____ Código Postal _____
Número de Seguro Social _____ Tel. De Trabajo _____
Nombre de la Esposa/Esposo _____ Número del Seguro Social _____
Tel. del Domicilio _____ Tel. De Trabajo _____
Firma del Cliente _____ Identificación _____

Personal Militar, Información Adicional:

1. Domicilio Permanente _____
2. 1st Sgt. O C.O., Nombre _____ Tel. _____
3. Unidad _____ Duración de la Gira _____

Servicio Para Negocios, Completar lo Siguiente:

1. Nombre de Negocio _____
2. Dirección del Negocio _____
3. Dirección para la Correspondencia _____
4. Persona Responsable _____ Tel. Negocio _____
Domicilio _____ Tel. _____
5. Dueño/Presidente _____ Tel. Negocio _____
Domicilio _____ Tel. _____

Firma Del Cliente _____ Identificación _____

TO BE COMPLETED BY OFFICE ONLY

Account Number: _____ Desired Service Date: _____
UAR: Yes _____ No _____ Amt: _____ Acct. No. _____ Transferred: _____ Date: _____
Did the Customer receive a Residential Handbook: _____
Type of Order: Res. _____ Comm. _____ Trailer _____ Lamp _____ S# or T#: _____
NSER Information: Temp. _____ Perm. _____ Refrig. Air/Space Heating _____
Space Heating Only _____ Overhead _____ Underground _____
Deposit Amt: _____ Deposit No.: _____ Deposit Arrangements: _____
Bond: _____ Letter of Credit from other Utility _____
Letter of Responsibility: Cosigner _____
Account No. _____ Telephone No. _____
No Deposit Required: _____ Reason: _____
Order taken by: _____ Date: _____

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EL PASO ELECTRIC COMPANY

SECTION 3

LINE EXTENSION POLICY

AND

CONSTRUCTION CHARGES

EL PASO ELECTRIC COMPANY

SECTION 3

LINE EXTENSION POLICY AND CONSTRUCTION CHARGES

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EL PASO ELECTRIC COMPANY
STATE OF TEXAS SERVICE AREA

Incorporated Cities and Towns

City of El Paso
Town of Anthony
Town of Clint
Town of Horizon City
City of Socorro
Village of Vinton
Town of Van Horn
City of San Elizario

Unincorporated Service Areas

County of El Paso
Portion of County of Culberson
Portion of County of Hudspeth

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Revision Number 4
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EL PASO ELECTRIC COMPANY

Line Extension Policy and Construction Charges

PURPOSE

It is the purpose of this document to set forth uniform and comprehensive policies concerning Line Extensions and construction charges for the entire Texas service area of El Paso Electric Company (hereinafter the "Company").

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EL PASO ELECTRIC COMPANY

Line Extension Policy and Construction Charges

DEFINITIONS

A. Customer Advance for Construction means

A cash advance by a Customer for construction that is subject to refund either wholly or in part, depending on the amount of revenue generated over the forty-eight (48) month (four year) revenue period.

B. Customer Contributions means

A Customer Advance for Construction or a Revenue Guarantee.

C. Estimated Forty-Eight Month Base Revenue or Estimated Four-Year Base Revenue means

The estimated base revenue from the anticipated first forty-eight (48) monthly bills to the Customer once service is established. The respective monthly kWh usage is determined by estimating the Customer's monthly demand, hours per day, days per week, and an average of 4.3 weeks per month, and calculated with the following formula.

$$\text{kWh} = \text{kW} * \text{hrs} * \text{days} * \text{weeks}$$

The above formula will be adjusted by a load factor and power factor, as applicable, based on the customer type and rate schedule for which the Customer qualifies. The monthly demand (kW) above is estimated based on operating and load information provided by the Customer and/or the average demand and operating characteristics of similar Customers.

The estimated forty-eight (48) month revenue is determined by using the estimates of kWh and kW usage calculated by the above methods, and applying the appropriate rate schedule, less the fixed fuel factor costs, and less taxes.

D. Actual Annual Revenue means

The revenue received from twelve (12) monthly bills rendered to the Customer, determined by the metered monthly kilowatt demand and kilowatt-hour usage, applied to the appropriate rate schedule, less the fixed fuel factor costs, and less taxes.

E. Franchised Area means

Those cities, towns and villages in which the Company has been granted a franchise to provide electric utility service.

F. Overhead Line Extension means

The new pole line facilities including, without limitation, poles, anchors, conductors, insulators, arrestors, cut-outs, transformers, breakers, and other miscellaneous hardware necessary to provide electric service to the Company-specified Point of Delivery.

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EL PASO ELECTRIC COMPANY

Line Extension Policy and Construction Charges

G. Cost of the Overhead Line Extension means

The actual cost to the Company to install new pole line facilities from existing overhead pole line facilities to the Company-specified Point of Delivery. The Cost of the Overhead Extension includes storage charges, labor, overhead, transportation, right-of-way acquisition, and survey costs in addition to the cost of materials specified in Paragraph F. The cost of the service drop, Meters and metering equipment is not included in estimating the Cost of the Overhead Extension for revenue requirements, except for those Customers served at one of the Company's standard Transmission Voltages.

H. Permanent Customer means

Any Customer whose service is delivered to any installation that is constructed or placed on and permanently affixed to a foundation, and that is, or will be, used or occupied on a full time basis. A Customer whose service is delivered to a manufactured home, or a prefabricated structure shall qualify as a permanent Customer if 1) the home or structure is installed on a foundation system according to regulations of the Texas Department of Labor and Standards or is otherwise impractical to move and has the wheels, axles, and hitch or towing device removed, and 2) if the home or structure is connected to a permanent water and sewer system.

I. Point of Delivery means

For overhead service, the point specified by the Company where the Company's and the Customer's conductors are connected. For underground Point of Delivery see Sheet No. 5, Section C (Special Underground Service Provisions), Paragraph 2.

J. Temporary Service means

Electric service to a Customer that, in the sole opinion of the Company, is not of a permanent nature, for example, construction purposes or temporary sales stands.

K. Underground Line Extension means

The new underground Primary or Secondary Voltage facilities including, without limitation, conduit system, pull boxes, transformer enclosure(s), transformer(s), primary voltage cables, secondary voltage cables, arrestors, switches, cut-outs, pole risers, and miscellaneous hardware necessary to provide underground service to the Company-specified Point of Delivery.

L. Cost of the Underground Line Extension means

The cost to install new underground primary or secondary facilities from either existing overhead pole line facilities or existing underground Primary or Secondary Voltage facilities to the Company-specified Point of Delivery. The Cost of the Underground Line Extension includes storage charges, labor, overhead, transportation, right-of-way acquisition and survey costs in addition to the cost of materials specified in Paragraph K. The cost of service of cables, Meters and metering equipment is not included in estimating the cost of the Underground Line Extension for revenue requirements, except for those Customers served at one of the Company's standard Transmission Voltages.

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EL PASO ELECTRIC COMPANY

Line Extension Policy and Construction Charges

M. Revenue Deficiency means

The amount by which the estimated forty-eight (48) month revenue is less than the estimated cost of an Overhead Line Extension or an Underground Line Extension.

N. Revenue Guarantee means

The process by which the Customer guarantees and secures in a manner acceptable to the Company an amount equal to the cost of a Line Extension, plus an additional charge for line construction based on the tax-effected cost of capital at the time of the completion of the Line Extension, as the process is further described in Section B(2)(b)(3).

O. Secondary Voltage means

Any one of the Company's standard service voltages below 600 volts.

P. Primary Voltage means

Any one of the Company's standard voltages between 2,400 volts and 25,000 volts.

Q. Transmission Voltage means

Any one of the Company's standard voltages greater than or equal to 69,000 volts.

R. Meter means

A recording instrument of standard manufacture provided by the Company to measure energy consumption.

S. Impaired Clearance means

The condition in which structure(s) including, but not limited to, buildings, signs, towers, poles, fencing and swimming pools, is located in a position or manner in which insufficient clearance, as specified by any applicable local code(s) and the National Electric Safety Code, as such codes now exist or as such codes may be amended, exists between the structure and the Company's existing transmission, substation, express feeder, street light or distribution line facilities, or any combination thereof.

T. Extension or Line Extension, when those terms are used without modifiers, means

The additional facilities needed to extend service from the Company's existing facilities to the Point of Delivery of the Customer, including increases in capacity of any existing facilities, and include both Overhead Line Extensions and Underground Line Extensions as those terms are defined herein.

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POLICIES

A. GENERAL

1. The policies herein contained are subject to the terms and conditions contained in the Company rate schedules, its other service Rules and Regulations, and standard operating procedures.
2. The Company will extend its facilities and provide service in a uniform and nondiscriminatory manner to all customers within its service territory under its standard applicable rate schedules and this policy. The Company will make Extensions within its territory required to serve any Customer on a basis equitable both to the Company and the Customer.

3. Meters:

The Company will provide the Meter and designate the location of all Meters and metering equipment.

4. Type of Service:

Either single phase or three phase electrical service shall be specified by the Company, and service will be at one of the Company's standard voltages. Customers requesting three phase service must meet Company requirements.

5. Rights-of-Way (Easements):

The Company will not construct a Line Extension for a Customer until the Company has secured all required firm rights-of-way and permits. All Extensions shall be constructed on private rights-of-way, except that within incorporated municipalities where private rights-of-way are not available, Line Extensions may be constructed on existing public roads, streets, alleys or easements. New customers shall furnish such rights-of-way as required, without charge to the Company, over property owned or leased by said new Customers and, if possible, will assist the Company in securing other rights-of-way necessary to provide service. The Customer shall have all of the Customer's property corners surveyed and necessary property irons installed by licensed surveyors to permit the Company to properly install Company's electrical facilities within said rights-of-way.

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B. LINE EXTENSIONS

1. General:

The Company will provide at its expense, the Line Extension necessary to provide primary or secondary electric service to a Permanent Customer if the Estimated Four-Year Base Revenue equals or exceeds the estimated cost of the Extension. No Extension of overhead lines will be made from underground facilities or into areas designated or committed to underground facilities. If the Company determines the Estimated Four-Year Base Revenues from the primary or secondary electric service Extension do not equal or exceed the estimated cost of the Line Extension investment, the Company shall be allowed to require a Revenue Guarantee or contribution from the Customer for the actual cost of the Extension investment pursuant to the terms and conditions of this Line Extension Policy.

2. Revenue Deficiencies:

- a. If the Estimated Four-Year Base Revenue described in the preceding paragraph results in a Revenue Deficiency, the Company is not obligated to provide the Extension unless the Customer provides a Customer Contribution. The amount of the Customer Contribution will be computed using the following formula:

(1) Estimated Annual Base Revenue	\$ _____	
(2) Investment Required by Company	\$ _____	
(3) Revenue Credit, if any	\$ _____	(Line 1 x 4)
(4) Revenue Guarantee or Contribution	\$ _____	(Line 2 less Line 3)

The estimated annual revenue will be determined by estimating the Customer's expected annual usage multiplied by the applicable rate schedule rate charges.

The investment required by the Company to complete the Extension will be calculated on the basis of current costs to install the same or similar type of Line Extension required and will be provided to the Customer.

- b. In cases of Revenue Deficiency, the Customer must enter into a written agreement with the Company to cover the Revenue Deficiency through a Customer Contribution, which, as described below, is either a Customer Advance for Construction or a Revenue Guarantee.

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(1) Customer Advance for Construction:

The Customer may be required to make a Customer Advance for Construction in the amount of the estimated cost of the Line Extension.

(a) Individual Customer Served:

If the Extension is to an individual Customer, the Customer's monthly bills, determined by applying the appropriate rate schedule, less all fixed fuel factor costs and taxes, shall be deducted from the Customer Advance for Construction for forty-eight (48) months, or until the amount advanced has been exhausted. If a balance remains after forty-eight (48) months from the date the Line Extension was completed, the balance reverts to the Company as a Customer Contribution. All of the fixed fuel factor costs and taxes shall be paid monthly by the Customer.

(b) More Than One Customer Served:

If the Extension is to serve a group of Customers, refunds of the Customer Advance for Construction will be made annually based upon actual annual revenue received from Customers served. If additional Customers are served from additional Line Extensions, refunds may be given as set forth in paragraph (d) which follows.

(c) Revenue Credit Given - Partial Cash Advance Required:

If the Customer is given a revenue credit, the Customer then may be required to make a Customer Advance for Construction for the Revenue Deficit amount. Refunds will then be made only from revenue received from other Customers served when additional Line Extensions are constructed. Refunds or appropriation of the advance will be made as set forth in the following paragraph (d).

$$(d) \quad R = \frac{E - C}{48} \times (48 - M) \text{ , where:}$$

R = the amount of the refund,
E = the Estimated 48-Month Base Revenue from Permanent Customers served from additional Line Extensions,
C = the estimated costs of the additional Extensions, and
M = the number of months since the Customer's Line Extension was completed.

Note that in no case will refunds from electric bills and one-time refunds exceed the Customer's Advance for Construction.

(e) The Company will reduce or waive the Customer Contribution when portions of a Line Extension are a service betterment for existing lines which constitute an upgrade or improvement that the Company would

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pursue even if the Customer had not requested the Line Extension.

Following the payment of a Customer Contribution, the Company will reconcile refund balances at the end of the first twelve (12) month period and thereafter annually. The interest rate that will be applied to balances subject to refund will be the annual Commission-approved interest rate for Customer Deposits.

(3) Revenue Guarantee:

Customers may enter into a written agreement for a term of four (4) years with the Company that guarantees and secures payment to the Company of an amount equal to the cost of the Extension plus applicable interest charges as defined below. The four (4) year agreement period will begin for (i) Overhead Line Extensions on the completion date of the overhead line facilities or (ii) for Underground Line Extensions upon completion of the underground structural facilities. At the end of the four-year agreement period, actual revenues, less fixed fuel factor costs and taxes, received during the four-year agreement period from Customers served from the Line Extension will be compared to the cost of the Extension. If revenues have not equaled or exceeded the cost, additional charges will be computed on the deficit amount. The additional charge shall be based upon the overall tax-effected cost of capital to the Company at the time of the Line Extension construction and the amount so specified in the written agreement. The additional charge to municipalities shall be no more than the maximum interest rate for municipalities as set by law, whichever is less. The deficit amount and the additional charges will then be due within thirty (30) days of billing.

If additional Line Extensions are connected to the original Line Extension, any revenue received from Customers served from the additional Extensions must first cover the cost of the additional facilities, including transformers, before it can be applied to the original Customer agreement. When a Customer enters into a Revenue Guarantee to offset the cost of a Line Extension, those revenues can come from the Customer entering into the agreement and also other Customers who are later served from the same facilities. Where there is an expectation that the revenues from a Line Extension project will equal or exceed the Extension cost within an additional two-year period, at the Company's option, an extension of two (2) years may be granted after the four (4) year term of the original contract expires.

The above terms related to Revenue Guarantees apply to individual residential Customers, commercial and industrial Customers, land developers, residential subdivision developers and commercial and industrial subdivision/park developers.

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(4) Renewable Energy Information:

The Company will inform each Customer requesting a Line Extension of the availability of information concerning renewable resources. If the Customer requests the information, or if a Revenue Deficiency exists and the Customer declines to enter into a written agreement with the Company pursuant to Section 2.b. above to cover such deficiency, then the Company will provide the Customer with information regarding implementation of renewable energy resource options that may be feasible for the Customer. The Company will provide a list of vendors for renewable energy resource options and, when possible, the cost of such installations.

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C. SPECIAL UNDERGROUND SERVICE PROVISIONS

A. Secondary Voltage Underground Extensions:

1. Permanent New Residential Customers:

(1) Overhead System:

Where 120/240 volt service is readily available from an existing overhead system, the Company will install, own, and maintain service conductors (maximum of 100 foot run at Company expense) for single phase service in a Customer-supplied, owned, and maintained conduit system. The Customer-supplied conduit system shall include, without limitation, the pole riser installation and the installation of all necessary conduit from the Company-specified point on the nearest Company service pole to the Point of Delivery. The Customer-supplied conduit system must meet Company specifications and local code requirements. The Customer shall make a Customer Contribution for the cost of any portion of the service conductor run in excess of 100 feet.

If the Company has reason to believe that more than one Customer will be served underground from the Company's service pole, the Company will be responsible for the installation of the pole riser installation and a service pedestal. The cost of installing the service pedestal and the pole riser installation shall be borne by the Customer and the Company shall own and maintain the service pedestal and the pole riser installation.

Where 120/240 volt service is readily available from an existing overhead system, the Company will install, own, and maintain a pole riser, riser base, secondary service enclosure if needed and service conductors (maximum of 150 foot run at Company expense) for providing single phase underground secondary service to a Customer. The Customer will supply, install, own and maintain the conduit system from the riser base to service enclosure to the meter enclosure. The Customer-supplied conduit system must meet Company specifications and local code requirements.

(2) Underground System:

Where 120/240 volt service is readily available from an existing underground system, the Company will install, own, and maintain service conductors (maximum of 150 foot run at Company expense) for single phase service, in a customer supplied, owned, and maintained conduit system, from the nearest Company transformer or service enclosure to the Point of Delivery. The location of both points will be designated by the Company. The Customer-supplied conduit system must meet Company specifications and local code requirements.

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C. SPECIAL UNDERGROUND SERVICE PROVISIONS

2. Point of Delivery:

The Point of Delivery for individually served and metered permanent residential Customers requesting underground service shall be the meter enclosure.

When multiplex residential units (duplex and above) have their Meters grouped and connected into a common gutter, the Point of Delivery shall be at a Company-owned secondary service enclosure or transformer as designated by the Company.

The Point of Delivery for all other Customers requesting underground service shall be the low voltage terminals of the Company's transformation, unless another Point of Delivery is specified by the Company.

3. Residential Subdivisions:

In a residential subdivision, normally Underground Line Extensions must be made before construction of houses begins. The Company will install an underground distribution system in a filed, dedicated subdivision after the developer has met Company requirements pertaining to the installation of other utilities and has entered into a written agreement covering the number of residential lots to be served, the location of any necessary overhead express feeder lines, the amount of the Revenue Guarantee, the method of securing the Revenue Guarantee, and other necessary conditions.

The developer's Revenue Guarantee amount for an underground residential system will be determined using current material and construction costs.

No overhead or underground Secondary Voltage services will be extended from the overhead express feeder lines.

4. Commercial and Industrial Customers:

The Company will install an underground Primary Voltage or Secondary Voltage extension to serve a Commercial or an Industrial customer after the Customer has entered into a written agreement (if needed) covering the location of the Company's new overhead and underground facilities, the amount of the Revenue Guarantee if applicable, and the method of securing payment of the Revenue Guarantee. Commercial areas designated or committed to underground facilities by the Company and/or the developer or any regulatory body will only be served underground.

5. Conversion of Overhead Facilities to Underground Facilities:

Residential Service Drops:

If a residential Customer requests conversion of the Customer's existing overhead service drop to underground service, the Company will, at its expense, install underground service conductors a maximum run of 100 feet if the following four (4)

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C. SPECIAL UNDERGROUND SERVICE PROVISIONS

conditions are met:

- (1) The Customer supplies and installs the pole riser, riser base, secondary service enclosure (if required by the Company) and any conduit between the riser base and the service enclosure. After the installation of the above facilities, inspection and approval by the Company, the Company will assume ownership and maintenance of these facilities. The Customer must also grant any needed firm easements for this installation and for future underground Extensions from the service enclosure to adjacent lot(s) as required.
- (2) The Customer supplies, installs, owns and maintains the conduit system from the riser base or service enclosure to the meter enclosure. The conduit system must meet Company and local code requirements.
- (3) The Customer makes any changes to his service entrance equipment necessary to accommodate the new underground service.
- (4) The Customer pays the Company the current estimated cost to install and remove the overhead service drop.

If the new underground service run is greater than 100 feet, the Customer shall make a Customer Contribution for the amount of the service run in excess of 100 feet.

If the Company has reason to believe that more than one Customer will be served underground from the Company's service pole, the Company will be responsible for the installation of the pole riser installation and a service pedestal. The cost of installing the service pedestal and the pole riser installation shall be borne by the Customer and the Company shall own and maintain the service pedestal and the pole riser installation.

B. Overhead Primary Voltage Distribution Facilities:

If the Company, in response to a Customer request, agrees to replace the Company's existing overhead facilities with underground facilities, the Customer shall pay the Company in advance the estimated installed cost of the Company's new underground facilities plus the estimated cost to remove the existing overhead facilities less the estimated salvage of the removed overhead facilities.

Commercial and industrial Customers will provide, own and maintain all facilities beyond the new Point of Delivery.

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D. TEMPORARY SERVICE

A Customer requesting Temporary Service shall pay the Company in advance the estimated cost of equipment plus installation and removal expenses, less the estimated salvage value. The cost of the equipment plus installation shall be calculated in the same manner as for permanent service. The removal expenses will be estimated based on the specific equipment and installation used for the Customer and the most current standard labor cost estimates. Salvage value will be based on the specific equipment and the market value of the equipment at the time the estimate is provided.

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E. SPECIAL SERVICES

1. Dual Feeders:

Any permanent customer requesting an alternate Primary Voltage line in addition to the regular main Primary Voltage line shall either make a Customer Contribution in the amount of the estimated cost to provide the alternate Primary Voltage line (including substation facilities), or enter into a written agreement to pay a monthly facilities charge equal to the Company's fixed costs on the additional facilities.

2. Transmission Voltage Service:

Electric service from the Company's Transmission Voltage system is available at the Company's option to Customers whose electrical load is of such magnitude or unusual character that it should not be served otherwise. The Customer shall be responsible for providing all transformation equipment, in accordance with Company specifications. The total cost of the Transmission Line Extension (including metering) shall be subject to a monthly facilities charge. The Company, at its option, may require a Customer Contribution for all or a portion of the construction costs of the Extension.

3. Private Security Lighting or Area Lighting:

Dusk to dawn security lighting service is available in the Company's service area under the terms and conditions of the applicable rate schedule. If 240 volt overhead service is readily available within 125 feet, the Company will install a standard fixture on an existing wood pole or a new 30 foot wood pole located as mutually agreed to by the Company and Customer. If 240 volt overhead service is not readily available within 125 feet, the cost of any required additional facilities will be borne by the Customer, including the total cost of all underground associated facilities if the installation is served from an underground system. All requests for service from an underground system must be negotiated separately with the Company as this lighting service is not available in all underground situations.

The Company retains the right to remove a security light if it is vandalized repeatedly.

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**F. PUBLIC STREET LIGHTING, FREEWAY LIGHTING
AND TRAFFIC SIGNAL LIGHTS**

1. Company-Owned Street Lighting:

Street lighting systems are normally installed, owned and maintained by the Company. Only Company specified standard street lighting components are used in the installations. Street lighting service is available to all city, town, village, county and state governmental entities (hereinafter referred to as "City") and will be installed only after the appropriate installation and billing authorization is received by Company in writing. This lighting service is also available to public schools for street, parking and area lighting. All lighting service will be provided and billed under the applicable rate schedules.

a. Lights Served from Overhead Lines:

In areas with overhead electric distribution lines, street lights are installed on existing wood poles. If the desired location of the new light does not have an existing pole, the Company will install one additional pole for each street light at no cost. If additional facilities are required in order to provide service to the light, the City, State or school shall pay the additional cost of the facilities as a Customer Contribution.

b. Lights Served from Underground Facilities:

In areas with underground electric distribution lines, street lights, including a standard wood pole, will be installed at a location designated by the City and agreed to by the Company. The Company will also install the underground conduit, service wire and related facilities as needed. Where street lights are requested to be served underground and are installed by the Company and the street light installation will be owned by the Company, the Customer shall make a Customer Contribution for the difference between the cost of the underground installation and the four-year estimated revenue if there is a difference. The Company will install street light poles only on streets or main thoroughfares that are paved and have curbs and gutters.

2. City Owned Street Lighting:

If a city desires to own street lights that are to be installed by the Company, the city shall pay the Company the total installed cost incurred by the Company. The Company will operate and maintain the lights under the applicable rate schedule. If the city specifies the materials and installation standards, they must be agreed to by the Company.

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a. Lights Served from Overhead Lines:

In overhead served areas, the Company shall install all requested lights and related facilities at the city's cost.

b. Lights Served from Underground Facilities:

In underground distribution areas, the Company or the city may provide and install the street lights at the city's cost. If the city provides and installs the lights (or requires a third party to do so) the Company will not assume any responsibility for operation or maintenance until after the light is connected and in service. If the Company is asked to make a connection to a new city-installed light and is unable to do so because of a faulty installation by the city, a charge for the service call equal to the Company's actual cost will be made.

3. State or City-Owned Street or Freeway Lighting:

In Franchised Areas, the Company may contract with the city, town or village to operate and maintain street lighting installed and owned by the State of Texas (State). In some cases, the Company may contract with a county for Interstate Highway lighting only. In the absence of such a contract, electric service for State-owned street lighting systems shall be provided under the Company's standard practice for metered commercial services, and billed under the applicable rate schedule. The same terms apply to State-owned traffic signals, sign lighting, etc.

4. Relocation of Street Lights:

Street lighting facilities will be relocated for the benefit or convenience of a Customer only when written approval of the new location is received from proper county or municipal authorities, and when the Customer making the request bears all relocation cost.

5. Lights in New Subdivisions with Underground Electric Facilities:

If street lights are to be installed in a subdivision, the locations shall be mutually agreed to by the city and the Company before the Company designs its underground distribution system. The necessary conduit shall be installed from the nearest Company power source location to the proposed light pole location at the time of the subdivision development. Payment for these costs will be negotiated between the parties.

6. General Information

If the city or school desires to convert an existing Company-owned mercury vapor fixture to a high pressure sodium vapor fixture, the city shall pay all the labor costs associated with the conversion and purchase the old mercury vapor fixture from the Company at the un-depreciated value.

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G. REMOVAL AND RELOCATION

A Customer requesting removal and/or relocation of Company facilities shall bear all costs incurred by the Company in completing the removal and/or relocation. If removal and/or relocation causes operating problems for the Company, or is objectionable to other parties, the Company may refuse to remove and/or relocate the facilities. Relocation of Company facilities is always contingent upon the Company's securing all necessary rights-of-way.

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H. AFTER HOURS RATE

A Customer requesting the Company to perform work on an overtime basis shall be required to pay the appropriate after-hours rate.

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I. RENTAL OF COMPANY EQUIPMENT

The Company will rent certain equipment to Customers on a short-term, emergency basis, provided the items of equipment are not immediately available from local suppliers, and the Company has a sufficient supply of such items in stock to meet its operating requirements. The terms and conditions of the rental transaction shall be specified in writing.

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J. SALE OF COMPANY INSTALLED FACILITIES

The Company, in response to a Customer request, may sell Company facilities, in place, as is, for the estimated replacement cost less depreciation on replacement cost, if:

- (1) The facilities are solely for the purpose of serving the Customer, and
- (2) The Customer is changing or expanding the Customer's electrical facilities in a manner that will include the Company's facilities as an integral part of the Customer's facilities.

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K. IMPAIRED LINE CLEARANCE

Any Customer (person, company, corporation, partnership, contractor, land developer, property owner, or property lease, or any combination thereof) who installs or constructs any permanent or temporary structure(s) that constitutes an Impaired Clearance of the Company's existing transmission, substation, express, feeder, street light or distribution line facilities, or any combination thereof, shall bear all costs incurred by the Company in the reconstruction or relocation, or both, necessary to remove any and all Impaired Clearances. The Customer shall notify the Company as soon as possible of any existing or anticipated Impaired Clearances.

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Illustrative Settlement Allocation of Estimated \$3.4M Rate Case Expenses by Class ¹

Rate Schedule		Distributed
<u>No.</u>	<u>Description</u>	<u>Revenue</u>
	Firm Service Rates	
1	Residential Service	\$ 528,239
2	Small General Service	92,468
7	Outdoor Recreational Lighting	1,547
8	Government Street Lighting	12,110
9	Traffic Signals	285
11	Municipal Pumping	8,324
11-TOU	Municipal Pumping TOU	21,583
15	Electrolytic Refining Service	7,308
WH	Water Heating Service	2,270
22	Irrigation Service	1,896
24	General Service	355,697
25	Large Power Service	124,164
26	Petroleum Refinery Service	36,406
28	Area Lighting Service	8,430
30	Electric Furnace Rate	3,946
31	Military Reservation Service	39,463
34	Cotton Gin Service	301
41	City & County Service	79,656
	Total Firm Service	\$ 1,324,093
38	Non-Firm Service	11,699
		\$ 1,335,792

¹ Reflects \$3,371,582 rate case expenses through June 2016, reduced by \$600,000 pursuant to Settlement and amortized over 24 months. Because final rate case expenses are not known at this time, estimated expenses are used to illustrate the expected impact.

**SOAH DOCKET NO. 473-15-5257
PUC DOCKET NO. 44941**

APPLICATION OF EL PASO	§	BEFORE THE STATE OFFICE
ELECTRIC COMPANY TO CHANGE	§	OF
RATES	§	ADMINISTRATIVE HEARINGS

**SOAH DOCKET NO. 473-16-1685
PUC DOCKET NO. 45475**

REVIEW OF RATE CASE EXPENSES	§	BEFORE THE STATE OFFICE
INCURRED BY EL PASO ELECTRIC	§	OF
COMPANY AND MUNICIPALITIES IN	§	ADMINISTRATIVE HEARINGS
DOCKET NO. 44941	§	

PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

I. Findings of Fact

Introduction and Procedural History

1. EPE is an electric utility, a public utility, and a utility.
2. On August 10, 2015, EPE submitted an application to the Commission seeking approval of a \$71,483,595 Texas jurisdiction retail increase in base (non-fuel) and other miscellaneous revenues and changes to the structure and terms of its tariff.
3. Concurrent with the filing of the application with the Commission, EPE filed a similar petition and statement of intent with each incorporated municipality in its Texas service area that has original jurisdiction over its rates.
4. EPE proposed an effective date of September 14, 2015.
5. EPE also requested that, if the new rates were suspended for a period beyond 155 days after August 10, 2015, then final rates will relate back and be made effective for

consumption on and after the 155th day after August 10, 2015, which equates to consumption on and after January 12, 2016.¹

6. EPE used the 12-month test year beginning April 1, 2014 through March 31, 2015.
7. Notice of EPE's application was published once each week for four consecutive weeks in a newspaper having general circulation in each county in EPE's Texas service territory. In addition, EPE provided individual notice to EPE's Texas retail customers; each municipality within EPE's service area with original jurisdiction over EPE's retail rates; and each party to EPE's last fuel reconciliation, *Application of El Paso Electric Company to Reconcile Fuel Costs*, Docket No. 41852, Order (July 11, 2014).
8. EPE timely appealed to the Commission the actions of the following municipalities exercising original jurisdiction within their service territory: City of El Paso, Town of Anthony, Town of Horizon City, Town of Clint, Village of Vinton, Town of Van Horn, City of San Elizario, and City of Socorro. All such appeals were consolidated for determination in this docket.
9. The following parties were granted intervenor status in this docket: City of El Paso (CEP); Office of the Public Utility Counsel (OPUC); the State of Texas agencies and institutions of higher education (State Agencies); Texas Industrial Energy Consumers (TIEC); Freeport-McMoran Copper & Gold, Inc. (FMI); ArcelorMittal USA LLC (AM)²; Wal-Mart Stores Texas, LLC and Sam's East, Inc. (Walmart); W. Silver, Inc. (W. Silver); U.S. Department of Defense and all other Federal Executive Agencies (DoD/FEA); ECO ELP, Inc. (ECO ELP); Coalition of Cities Served by El Paso Electric (Coalition) (consisting of the municipalities of the City of San Elizario, City of Clint, and City of Horizon City); Ysleta Independent School District (ISD), El Paso ISD, Socorro ISD, Clint ISD, San Elizario ISD, Fabens ISD, Anthony ISD, Canutillo ISD, Tornillo ISD, El Paso County, Housing Authority of City of El Paso, Region 19

¹ Rates can "relate back" in this fashion at EPE's request under Section 36.211(b) of the Public Utility Regulatory Act (West 2007 & Supp. 2015) (PURA).

² ArcelorMittal USA LLC was purchased by Bayou Steel Group during the course of this proceeding. Bayou Steel Group is the successor-in-interest to the intervenor ArcelorMittal USA LLC and the facility is now known as BD Vinton, LLC. For ease in reference and consistent with the intervention, Bayou Steel Group will be referred to as ArcelorMittal USA LLC. (AM) in the text of this Order.

Education Service Center, and El Paso County Community College District (collectively, the Rate 41 Group); Sunrun Corporation (Sunrun); Energy Freedom Coalition of America (EFCA); NRG Residential Solar Solutions, LLC (NRG); Solar Energy Industries Association (SEIA); City of Socorro; and Rockney Bacchus, *pro se*. Commission Staff also participated in this docket.

10. On August 11, 2015 the Commission referred this case to the State Office of Administrative Hearings (SOAH) to conduct an evidentiary hearing and prepare a proposal for decision, if necessary.
11. On August 14, 2015, the SOAH Administrative Law Judges (ALJs) issued SOAH Order No. 1, suspending the effective date of the proposed tariff changes for 150 days until February 11, 2016. The jurisdictional deadline was subsequently extended by EPE until [date] 2016.
12. On September 11, 2015, the Commission issued the Preliminary Order, setting forth the issues to be addressed in this proceeding.
13. On December 30, 2015, SOAH Order No. 9 granted EPE's motion to sever rate case expense issues and established new Docket No. 45475, *Review of Rate Case Expenses Incurred by El Paso Electric Company and Municipalities in Docket No. 44941*, to address rate case expenses.
14. On January 21, 2016, SOAH Order No. 13 granted EPE's request to abate the procedural schedule to facilitate settlement negotiations among the parties.
15. On March 29, 2016, the majority of the parties filed their Stipulation and Agreement (March Settlement Agreement), along with a motion to implement the March Settlement Agreement and to approve interim rates. The March Settlement Agreement would resolve all issues in this case except one contested revenue requirement issue involving EPE's interest in Units 4 and 5 of the Four Corners power plant.
16. The parties who signed and filed the March Settlement Agreement were EPE, Commission Staff, CEP, State Agencies, TIEC, FMI, AM, W. Silver, DoD/FEA, Coalition, City of Socorro, the Rate 41 Group, Walmart, NRG, and SEIA.

17. Rockney Bacchus did not sign the March Settlement Agreement but did not oppose it.
18. OPUC, ECO ELP, Sunrun, and EFCA opposed the March Settlement Agreement, though they did not oppose the interim rates specified in the March Settlement Agreement.
19. On March 30, 2016, the ALJs issued SOAH Order No. 16, which approved an uncontested interim rate increase of \$37 million to be charged in bills beginning April 1, 2016, and subject to surcharge or refund.
20. On April 5, 2016 OPUC, ECO ELP, Sunrun, and EFCA requested that a hearing be held on the March Settlement Agreement and that EPE be ordered to issue additional notice to address the scope of the March Settlement Agreement concerning the proposed treatment of residential customers with distributed generation (DG).
21. On April 25, 2016, the ALJs issued SOAH Order No. 19, which established a procedural schedule for a hearing on the merits of the March Settlement Agreement. Order No. 19 also rejected the request by OPUC, ECO ELP, Sunrun, and EFCA that EPE issue additional notice concerning the March Settlement Agreement's residential customer DG tariff provision.
22. On May 2, 2016, OPUC, ECO ELP, Sunrun, and EFCA appealed the ruling in SOAH Order No. 19 concerning notice.
23. On May 4, 2016, the signatories to the March Settlement Agreement filed their First Amendment to the March Settlement Agreement.
24. On May 23, 2016, the Commission issued its Order on Appeal of SOAH Order No. 19, granting the appeal and requiring EPE to reissue notice.
25. On [date], 2016, EPE and other parties filed in this proceeding and in Docket No. 45475 the Amended and Restated Stipulation and Agreement (Amended and Restated Agreement), which would settle and resolve all issues in this proceeding, including a revenue requirement issue involving EPE's interest in Units 4 and 5 of the Four Corners power plant and all the issues in Docket No. 45745 concerning the recovery of rate case expenses.

26. Along with the Amended and Restated Agreement, EPE and other parties also filed their Joint Motion to implement it.
27. The following parties are signatories to the Amended and Restated Agreement :
- EPE, Commission Staff, CEP, State Agencies, TIEC, FMI, AM, W. Silver, DoD/FEA, Coalition, City of Socorro, the Rate 41 Group, Walmart, NRG, SEIA, OPUC, ECO ELP, Sunrun and EFCA (collectively, the Signatories). Rockney Bacchus neither joins nor opposes the Agreement. The Amended and Restated Agreement is thus uncontested.
28. On [date], 2016, the ALJs issued Order No. #, which granted the Signatories' Joint Motion by consolidating the Docket No. 45475 rate case expense review and recovery with this Docket No. 44941 rate proceeding; admitting into evidence the various exhibits identified in Order No. #, including the Amended and Restated Agreement and testimony from EPE and the Commission Staff supporting the Amended and Restated Agreement; and dismissing the consolidated proceeding from SOAH's docket and returning it to the Commission for further processing as a settled case.
29. The fact that the residential customer DG tariff provision is not proposed in the Amended and Restated Agreement obviated the need for additional notice required by the Commission's Order on Appeal of SOAH Order No. 19.

Description of the Amended and Restated Agreement

30. The Signatories agree that the Amended and Restated Agreement results in just and reasonable rates and that the public interest will be served by resolution of the issues in the manner prescribed by the Amended and Restated Agreement.

Overall revenues

31. The Amended and Restated Agreement provides that EPE should receive an overall increase of \$37 million in Texas base rate and other revenues, effective for electricity consumed on and after January 12, 2016.

32. This rate increase should be collected through interim rates in bills on and after April 1, 2016. (Amended and Restated Agreement art. I.A.1.)

Four Corners issue

33. The Amended and Restated Agreement provides that EPE receive an incremental increase of \$3.7 million in annual revenue requirement for base rates (in addition to the \$6,081,409 deemed to be included in the \$37 million increase) associated with its interest in Units 4 and 5 of the Four Corners power plant (the Four Corners Incremental Rate Amount). The \$3.7 million Four Corners Incremental Rate Amount is in addition to, and shall not result in a reduction to, the \$37 million rate increase.
34. The \$3.7 million Four Corners Incremental Rate Amount shall apply to consumption on and after January 12, 2016, and except for the relate back time period subject to PURA § 36.211, recovery shall be through a rider terminating on July 12, 2017, 18 months after the relate back date. (Amended and Restated Agreement art. I.B.)

Plant additions

35. The Amended and Restated Agreement provides that EPE's additions to plant in service from July 1, 2009 through March 31, 2015 are deemed reasonable and necessary and included in rate base, with two exceptions: the Copper gas turbine (which continues to be excluded from rate base) and the Newman Elevated Solar Facility (whose rate base treatment is reserved for EPE's next rate proceeding).
36. This plant in service provision has no bearing on the Four Corners Incremental Rate Recovery amount. (Amended and Restated Agreement art. I.C.)

Return on equity

37. The Amended and Restated Agreement provides EPE shall utilize a return on equity of 9.7 percent only for purposes of calculating Allowance for Funds Used During Construction. (Amended and Restated Agreement art. I.D.)

Depreciation

38. The Amended and Restated Agreement specifies the adjusted depreciation rates proposed by CEP witness Jacob Pous shall be utilized effective January 1, 2016. These depreciation rates are shown on Attachment A to this Order.
39. The Amended and Restated Agreement also provides that effective January 1, 2016, the Company will record all gains or losses for the retirement of transportation equipment as a component of accumulated provision for depreciation and amortization of electric plant (FERC Account Number 108). (Amended and Restated Agreement art. I.E.)

State income tax

40. Under the Amended and Restated Agreement, effective January 1, 2016, EPE will begin normalizing state income tax expense, and amortizing over a 15-year period the test-year end balance of accumulated deferred state income tax expense that has not yet been included in cost of service. (Amended and Restated Agreement art. I.F.)

Nuclear decommissioning

41. Under the Amended and Restated Agreement, effective February 1, 2016, EPE's rates will be deemed not to include funding for the Palo Verde Nuclear Generating Station decommissioning.
42. EPE shall be allowed, in its discretion, to make whatever contributions to the decommissioning funds, if any, it deems prudent or necessary. (Amended and Restated Agreement art. I.G.)

Environmental consumables

43. Under the Amended and Restated Agreement, effective January 1, 2016, the expenses for environmental consumables will be removed from base rates and be recovered as eligible fuel costs. (Amended and Restated Agreement art. I.H.)

Allocation of the \$37 million revenue increase & Four Corners Incremental Rate Amount.

44. The Amended and Restated Agreement specifies how (i) the \$37 million revenue increase is allocated among the rate classes in Attachment B to the Amended and

Restated Agreement, and (ii) the \$3.7 million Four Corners Incremental Rate Amount is allocated among the rate classes in Attachment C to the Amended and Restated Agreement. (Amended and Restated Agreement art. I.I.)

Rate design and tariff approval

45. The Amended and Restated Agreement also addresses tariff and rate design issues (Amended and Restated Agreement art. I.J.) as follows:

- (1) The customer charge for Rate 1, Residential Service shall be set at \$6.90.
- (2) The Application fees under EPE's Schedule DG shall not apply to residential customers.
- (3) The customer charge for Rate 2, Small General Service shall be set at \$9.95.
- (4) The customer charge for Rate 24, General Service shall be set at \$27.50, with the balance of the increase distributed to this class to be accomplished by increasing the other base charges by an equal percentage.
- (5) A rate limiter will be applied for Rate 24, General Service, regarding houses of worship.
- (6) A rate limiter will be applied for the two customer accounts migrating from Rate 43 to Rate 25, Large Power Service.
- (7) The increase distributed to Rate 41 shall be applied by increasing each of the components of the monthly base rate by an equal percentage. EPE also agrees to provide for informational purposes in its next rate proceeding a Cost of Service analysis that presents Rate 41 as a separate class even if EPE proposes to eliminate the class in that proceeding.
- (8) EPE's proposed provision for Highly Variable Demand is not adopted.
- (9) EPE's proposed Schedule CS, Community Solar Rate is not being adopted in this proceeding because it is subject to a separate pending proceeding.

- (10) EPE's existing Demand and Energy Loss Factors shall remain in effect. EPE agrees to submit a System Loss Study in EPE's 2016 Fuel Reconciliation proceeding for applicability in the fuel reconciliation period beginning April 1, 2016.
- (11) A modified TOU rate for residential customers shall be offered that is based on an on-peak period of 4 months and 6 hours/day, with a Customer charge of \$8.40 per customer per month.
- (12) EPE's proposed tariff language changes with rates for the various classes consistent with the Amended and Restated Agreement shall be approved upon final resolution of this case.

Rate case expenses recovery

- 46. Under the Amended and Restated Agreement, EPE shall be entitled to rate recovery of its and its municipalities' rate case expenses incurred through the later of (i) July 8, 2016, or (ii) 14 days prior to the date of the open meeting in which the Commission first considers a final order implementing the Amended and Restated Agreement (Rate Case Expense Deadline) less \$600,000.
- 47. However, as for the Rate Case Expense Deadline, if the Commission considers a final order in more than one open meeting and requires the parties to brief a matter, the Rate Case Expense Deadline shall be fourteen days prior to the date of the open meeting in which the Commission adopts a final order.
- 48. Under the Amended and Restated Agreement, there would be no recovery from ratepayers of rate case expenses incurred by EPE after the Rate Case Expense Deadline.
- 49. EPE agreed to reimburse the reasonable rate case expenses of a municipality entitled to reimbursement of rate case expenses under Section 33.023 of PURA (in this Docket No. 44941, those parties being the City of El Paso; Coalition, and the City of Socorro) incurred after the Rate Case Expense Deadline, but under the Amended and Restated Agreement, such expenses would not be recoverable from customers.

50. Under the Amended and Restated Agreement, recoverable rate case expenses shall be collected through a separate rate case expense surcharge that will be based on the expenses being amortized over two years and allocated to customer classes as illustrated in Attachment E to the Amended and Restated Agreement. EPE shall cease billing of the rate case expense surcharge in the month that the total approved amount has been collected. The amount of any over-recovery or under-recovery of the approved rate case expense surcharge amounts by class shall be included in the deferred fuel balance for that class as a refund or surcharge, respectively.

Consistency of the Amended and Restated Agreement with PURA and Commission Requirements

51. The Amended and Restated Agreement is the result of good faith negotiations by the parties, and these efforts, as well as the overall result of the Amended and Restated Agreement viewed in light of the record as a whole, support the reasonableness and benefits of the terms of the Amended and Restated Agreement.

Revenue requirement

52. The \$37 million revenue requirement increase, together with the Four Corners Incremental Rate Recovery amount (both effective for consumption on and after January 12, 2016), contemplated by the Amended and Restated Agreement will allow EPE the opportunity to earn a reasonable return over and above its reasonable and necessary operating expenses.
53. The \$37 million revenue requirement increase stipulated in the Amended and Restated Agreement is consistent with applicable provisions of Chapter 36 of PURA and Commission rules.
54. The \$3.7 million Four Corners Incremental Rate Recovery Amount is a reasonable resolution of that issue.
55. The record supports the inclusion in rate base of all of EPE's capital additions from July 1, 2009 through March 31, 2015 except for the Copper gas turbine (which shall continue to be excluded from rates) and the Newman Elevated Solar Facility (whose rate base treatment is reserved for EPE's next rate proceeding).

56. The approval of the capital additions in rate base has no bearing on the Four Corners Incremental Rate Recovery amount.
57. A return on equity of 9.7 percent, effective January 12, 2016, only for purposes of calculating Allowance for Funds Used During Construction is reasonable.
58. It is reasonable for purposes of this proceeding to adopt the depreciation rates proposed by the Amended and Restated Agreement. The adopted depreciation rates are set forth in Attachment A to this Order.
59. It is also reasonable that, effective January 1, 2016, EPE will record all gains or losses for the retirement of transportation equipment as a component of accumulated provision for depreciation and amortization of electric plant (FERC Account Number 108).
60. It is reasonable that, effective January 1, 2016, EPE will begin normalizing state income tax expense in accordance with the Amended and Restated Agreement and amortizing over a 15-year period the test-year end balance of accumulated deferred state income tax expense that has not yet been included in cost of service.
61. It is reasonable that, effective February 1, 2016 EPE's rates will be deemed not to include funding for Palo Verde Nuclear Generating Station decommissioning.
62. It is reasonable that EPE shall be allowed, in its discretion, to make contributions to the decommissioning funds, if any, it deems prudent or necessary.
63. It is reasonable that, effective January 1, 2016, EPE's expenses for environmental consumables (within the meaning of 16 Texas Administrative Code (TAC) § 25.236(a)(3)) will be removed from base rates and be recovered as eligible fuel costs.
64. It is reasonable that EPE recover its rate case expenses in the manner specified in the Amended and Restated Agreement.

Allocation of revenue

65. The allocation of the \$37 million revenue increase among rate classes in Attachment B to the Amended and Restated Agreement is just and reasonable.

66. The allocation of the \$3.7 million Four Corners Incremental Rate Recovery amount from among rate classes in Attachment C to the Amended and Restated Agreement is just and reasonable.
67. The allocation of the rate case expenses among rate classes in Attachment E to the Amended and Restated Agreement is just and reasonable.

Rate design and tariff approval

68. The \$6.90 customer charge for Rate 1, Residential Service, specified by the Amended and Restated Agreement is reasonable.
69. Exempting residential customers from the Schedule DG application fee is reasonable.
70. The \$9.95 customer charge for Rate 2, Small General Service, specified by the Amended and Restated Agreement is reasonable.
71. It is reasonable that the customer charge for Rate 24, General Service, shall be \$27.50, with the balance of the increase distributed to this class to be accomplished by increasing the other base charges by an equal percentage, as the Amended and Restated Agreement specifies.
72. A rate limiter to be applied for Rate 24, General Service, regarding houses of worship, as shown in Rate Schedule 24A, is reasonable.
73. A rate limiter to be applied for the two customer accounts migrating from Rate 43 to Rate 25, Large Power Service, as described in Rate Schedule 25, is reasonable.
74. It is reasonable that the increase distributed to Rate 41 shall be applied by increasing each of the components of the monthly base rate by an equal percentage, as the Amended and Restated Agreement specifies.
75. It is also reasonable that, in its next rate proceeding, EPE will provide for informational purposes a Cost of Service analysis that presents Rate 41 as a separate class even if EPE proposes to eliminate the class in that proceeding.
76. It is reasonable not to adopt EPE's proposed provision for Highly Variable Demand.

77. It is reasonable to address EPE's proposed Community Solar tariff in the separately pending proceeding, Docket No. 44800, and not in this proceeding.
78. It is reasonable that EPE's existing Demand and Energy Loss Factors shall remain in effect, and that in its 2016 fuel reconciliation, EPE submit a System Loss Study for applicability in the fuel reconciliation period beginning April 1, 2016.
79. It is reasonable to approve a modified TOU rate for residential customers, which is based on an on-peak period of 4 months and 6 hours/day, with a Customer charge of \$8.40 per customer per month.
80. The settlement rates reflected in the rate schedules included in Attachment D to the Amended and Restated Agreement, including the additional tariff provisions reflected therein and in Sections 2 and 3 of EPE's proposed tariff, are just and reasonable.
81. Surcharges in addition to the base rate increase are necessary to capture: 1) the fact that rates relate back to consumption on and after January 12, 2016; 2) the Four Corners Incremental Rate Recovery Amount is to be included in a separate surcharge, except for the time period subject to the relation back; and 3) recovery of rate case expenses.

II. Conclusions of Law

1. EPE is a public utility as that term is defined in PURA § 11.004(1) and an electric utility as that term is defined in PURA § 31.002(6).
2. The Commission exercises regulatory authority over EPE and jurisdiction over the subject matter of this application pursuant to PURA §§ 14.001, 32.001, 36.001–36.211, and 39.552.
3. SOAH has jurisdiction over this proceeding under PURA § 14.053 and TEX. GOV'T CODE § 2003.049.
4. This docket was processed in accordance with the requirements of PURA and the Texas Administrative Procedure Act, TEX. GOV'T CODE ANN. Chapter 2001 (West 2016).

5. EPE provided notice of its August 10, 2015 application in compliance with PURA § 36.103 and 16 TAC § 22.51(a) and (b).
6. The Commission has jurisdiction over an appeal from municipalities' rate proceedings pursuant to PURA § 33.051.
7. Because the residential DG tariff provision was removed from the Amended and Restated Agreement, no additional notice concerning that provision was necessary.
8. The Amended and Restated Agreement, taken as a whole, is a just and reasonable resolution of all the issues it addresses; results in just and reasonable rates, terms, and conditions; is supported by a preponderance of the credible evidence in the record; is consistent with the relevant provisions of PURA; is consistent with the public interest; and, thus, should be approved.
9. The revenue requirement, cost allocation, revenue distribution, and rate design contemplated by the Amended and Restated Agreement result in rates that are just and reasonable, comply with the ratemaking provisions of PURA, and are not unreasonably discriminatory or preferential.
10. EPE's rates resulting from the Amended and Restated Agreement are just and reasonable and meet the requirements of PURA § 36.003.
11. The Amended and Restated Agreement resolves all issues pending in this docket.
12. The tariff sheets and rate schedules include in the Amended and Restated Agreement are just and reasonable and accurately reflect the terms of the Amended and Restated Agreement.
13. The requirements for informal disposition pursuant to 16 TAC § 22.35 have been met in this proceeding.
14. The Commission's adoption of a final order consistent with the Amended and Restated Agreement satisfies the requirements of the Administrative Procedure Act, TEX. GOV'T CODE ANN. §§ 2001.051 and 2001.056 (West 2016) without the necessity of a decision on contested case issues resulting from a hearing on the merits.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following order:

1. Consistent with the Amended and Restated Agreement, EPE's application is approved.
2. Consistent with the Amended and Restated Agreement, the rates, terms, and conditions described in this Order are approved.
3. Consistent with the Amended and Restated Agreement, the tariffs, rate schedules and riders approved on an interim basis in SOAH Order No. 16 are approved.
4. EPE shall observe the depreciation rates approved in this Order until further order.
5. Effective January 1, 2016, EPE's expenses for environmental consumables (within the meaning of 16 TAC § 25.236(a)(3)) will be removed from base rates and will be allowed as eligible fuel expenses going forward and included in EPE's fixed fuel factor.
6. Within 20 days of the date of this Order, EPE shall file a clean record copy of the approved tariffs to be stamped "Approved" by Commission Central Records and retained for future reference.
7. Because the final approved rates except for the separate, additional surcharges for recovery of the Four Corners Incremental Rate Recovery Amount and rate case expenses are the same as the interim rates, no refunds of the interim rates are necessary.
8. EPE shall file proposed surcharge tariffs consistent with this Order within 20 days of the date of this Order in *Compliance Surcharge Tariff for Final Order in Docket No. 44941 (Application of El Paso Electric Company to Change Rates)*, Control No. #####. No later than ten days after the date of the tariff filing, any intervenor in that proceeding may file comments on the individual sheets of the tariff. No later than 15 days after the date of the tariff filing, Staff shall file its comments recommending approval, modification, or rejection of the individual sheets of the tariff. Responses to the Staff's recommendation shall be filed no later than 20 days after the filing of the tariff. The Commission shall by letter approve, modify, or reject each tariff sheet, effective the date of the letter.

9. The surcharge tariff sheets shall be deemed approved and shall become effective on the expiration of 20 days from the date of filing, in the absence of written notification of modification or rejection by the Commission. If any surcharge sheets are modified or rejected, EPE shall file proposed revisions of those sheets in accordance with the Commission's letter within ten days of the date of that letter, and the review procedure set out above shall apply to the revised sheets.
10. Copies of all tariff-related filings shall be served on all parties of record.
11. Entry of this Order consistent with the Amended and Restated Agreement does not indicate the Commission's endorsement of any principle or methodology that may underlie the Agreement. Entry of this Order should not be regarded as precedent as to the appropriateness of any principle or methodology underlying the Amended and Restated Agreement.
12. All other motions, requests for entry of specific findings of fact, conclusions of law, and ordering paragraphs, and any other requests for general or specific relief, if not expressly granted in this order, are hereby denied.

SIGNED AT AUSTIN, TEXAS on the day of [DATE] 2016.

PUBLIC UTILITY COMMISSION OF TEXAS

DONNA L. NELSON, CHAIRMAN

KENNETH W. ANDERSON, JR., COMMISSIONER

BRANDY MARTY MARQUEZ, COMMISSIONER

**SOAH DOCKET NO. 473-15-5257
PUC DOCKET NO. 44941**

APPLICATION OF EL PASO ELECTRIC COMPANY TO CHANGE RATES	§ § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
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SOAH ORDER NO. ##

**GRANTING MOTION TO CONSOLIDATE DOCKETS AND TO ADMIT
EVIDENCE, DISMISSING SOAH DOCKET AND RETURNING SETTLED CASE TO
COMMISSION**

**SOAH DOCKET NO. 473-16-1685
PUC DOCKET NO. 45475**

REVIEW OF RATE CASE EXPENSES INCURRED BY EL PASO ELECTRIC COMPANY AND MUNICIPALITIES IN DOCKET NO. 44941	§ § § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
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**SOAH ORDER NO. #
GRANTING MOTION TO CONSOLIDATE**

On July 15, 2016, the following parties filed their Amended and Restated Stipulation and Agreement (Amended and Restated Agreement): El Paso Electric Company (EPE or Company), the Public Utility Commission Staff, City of El Paso, Office of the Public Utility Counsel, the State of Texas agencies and institutions of higher education, Texas Industrial Energy Consumers, Freeport-McMoran Copper & Gold, Inc., Arcelormittal Vinton, Inc.; Wal-Mart Stores Texas, LLC and Sam's East, Inc., W. Silver, Inc., U.S. Department of Defense and all other Federal Executive Agencies, ECO ELP, Inc., Coalition of Cities Served by El Paso Electric (consisting of the municipalities of the City of San Elizario, City of Clint, and City of Horizon City), Ysleta Independent School District (ISD), El Paso ISD, Socorro ISD, the County of El Paso, Clint ISD, San Elizario ISD, Fabens ISD, Anthony ISD, Canutillo ISD, Tornillo ISD, Housing Authority of City of El Paso, Region 19 Education Service Center, and El Paso County Community College District (collectively, the Rate 41 Group), Sunrun Corporation, Energy Freedom Coalition of America, NRG Residential Solar Solutions, LLC, Solar Energy Industries Association, and the

City of Socorro. The Joint Motion states that the only other party to this proceeding, Rockney Bacchus, has indicated he does not oppose the Amended and Restated Agreement.

The Amended and Restated Agreement resolves all issues in this case and is uncontested. The Amended and Restated Agreement also resolves rate case expense recovery issues in Docket No. 45475. In particular, the agreement withdraws the issue concerning the proposal for distributed generation customers. Because that proposal has been withdrawn, there is no need for EPE to issue the additional notice contemplated by the Commission in its Order on Appeal of SOAH Order No. 19.

Along with the Amended and Restated Agreement, the Signatories filed a Joint Motion to consolidate Docket No. 45475 with this Docket No. 44941, to admit evidence supporting the Amended and Restated Agreement, and to dismiss this case from the State Office of Administrative Hearing's (SOAH) docket and return it to the Commission. These requests are GRANTED.

I. CONSOLIDATION OF RATE CASE EXPENSES DOCKET

Consistent with the Signatories' request, rate case expense Docket No. 45475, *Review of Rate Case Expenses Incurred by El Paso Electric Company and Municipalities in Docket No. 44941*, is consolidated with Docket No. 44941, which shall retain its current style. Any future filing shall be made only in Docket No. 44941.

II. ADMISSION OF EVIDENCE

Consistent with the Signatories' request, the following evidence is admitted into the record:

1. EPE's application (filed 8/10/2015);
2. EPE's 45-day update (filed 9/24/2015);
3. EPE's Proof of Notice (filed 10/9/2015);
4. All other pre-filed direct or rebuttal testimony and exhibits by all parties, including any errata, except (a) the Direct Testimony of Jose Gutierrez filed on December 11, 2015; (b) the Direct Testimony in Support of Non-Unanimous Stipulation and Settlement of James Schichtl and Nathan Hirschi filed on April

19, 2016; and (c) the Direct Testimony in Support of Stipulation of Anna Givens and William B. Abbott filed on April 22, 2016;

5. The supplemental settlement testimony of James Schichtl, on behalf of EPE, and the supplemental settlement testimonies of William B. Abbott, Anna Givens, and Mark Filarowicz, on behalf of the Staff, filed concurrently with the Motion; and
6. The Amended and Restated Agreement in Exhibit A to the Motion, along with its attachments.

III. DISMISSAL OF SOAH DOCKET AND RETURN OF CASE TO COMMISSION

This case is now settled in full. Therefore, it is ORDERED that this case is dismissed from the docket of the State Office of Administrative Hearings without prejudice and is returned to the Commission for final processing and approval. The Joint Motion includes agreed proposed findings of fact, conclusions of law and ordering paragraphs. As soon as practicable, EPE SHALL email a Word copy of the proposed order to the Commission via cadmorders@puc.texas.gov.

SIGNED July [date] 2016.

WENDY K. L. HARVEL
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS

STEVEN D. ARNOLD
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS