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EXHIBITS

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1 I. INTRODUCTION

2 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

3 A. My name is James Schichtl. My business address is 100 North Stanton, El Paso,
4 Texas, 79901.
5

6 Q. HOW ARE YOU EMPLOYED?

7 A. I am employed by El Paso Electric Company ("EPE") as Director-Regulatory
8 Affairs.
9

10 Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND BUSINESS
11 BACKGROUND.

12 A. In March of 2014 I was promoted to Director of Regulatory Affairs at EPE.
13 Immediately prior to my promotion I served as Manager-Economic & Rate
14 Research, responsible for EPE's jurisdictional cost of service, rate design analysis
15 and developing EPE's retail rate schedules and charges. Prior to that date I was a
16 Senior Regulatory Case Manager, responsible for the production, filing and
17 execution of regulatory applications before both the New Mexico Public
18 Regulation Committee (NMPRC) and the Public Utility Commission of Texas
19 (PUCT or Commission). Prior to joining EPE in February 2012, I spent 18 years
20 in various regulatory functions at Southern California Edison (SCE) Company,
21 including 6 years as Manager of Pricing Design and Research.

22 I graduated from the University of Texas at El Paso with a Bachelor of
23 Science degree in Mechanical Engineering in 1987.

1 **Q. PLEASE DESCRIBE YOUR CURRENT RESPONSIBILITIES WITH EPE.**

2 A. As Director of Regulatory Affairs, I am responsible for the oversight and direction
3 of EPE's Economic & Rate Research and Energy Efficiency groups. Economic &
4 Rate Research encompasses EPE's rate research function, jurisdictional and class
5 cost of service studies, rate design analysis and the development of EPE's retail
6 rate schedules and charges. The Energy Efficiency group is primarily responsible
7 for the implementation, administration and coordination of EPE's energy efficiency
8 and load management programs.

9

10 **Q. ARE YOU SPONSORING ANY EXHIBITS IN THIS FILING?**

11 A. Yes, I am sponsoring the following Exhibits;

12 Exhibit JS-1 2015 Revised EECRF Calculations

13 Exhibit JS-2 2015 EECRF Tariff

14 Exhibit JS-3 2015 EECRF Comparison

15 Exhibit JS-4 2015 Regulatory Cap Calculation

16

17 **Q. WERE THE ATTACHED EXHIBITS PREPARED BY YOU OR UNDER**
18 **YOUR SUPERVISION?**

19 A. Yes.

20

21 **Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE**
22 **UTILITY REGULATORY BODIES?**

23 A. Yes, I have previously filed testimony with and testified before the Public Utility

1 Commission of Texas ("PUCT"), the New Mexico Public Regulation Commission
2 and the California Public Utilities Commission.

3
4 **II. PURPOSE OF TESTIMONY**

5 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

6 A. The purpose of my direct testimony is to present and support the Company's
7 request to revise its Energy Efficiency Cost Recovery Factor ("EECRF") for 2015.
8 In my testimony, I provide a summary of the relief sought by EPE and the costs to
9 be included in EPE's revised EECRF pursuant to the requirements of P.U.C.
10 SUBST. R. 25.181(f). I also support the calculation of EPE's revised EECRF rates
11 for the billing period January 2015 through December 2015, based on the
12 allocation of energy efficiency costs among the customer classes.

13 I discuss the impacts on EPE's filing of the cost caps provided by P.U.C.
14 SUBST. R. 25.181(f), and I present EPE's proposal to recover costs that would
15 enable EPE to achieve demand and energy savings at the same level as was
16 necessary to meet EPE's goal for 2011, 2012, and 2013. I will also present EPE's
17 proposal to recover the energy efficiency performance incentive for 2013 and other
18 costs associated with EPE's energy efficiency programs.

19 Exhibit JS-1 is the calculation of the revised EECRF rates for 2015, and
20 Exhibit JS-2 contains the revised EECRF tariff incorporating the revised rates.

21
22 **III. REQUIREMENT TO ADJUST EECRF FOR 2015**

23 **Q. WHAT IS THE PURPOSE OF THE EECRF TARIFF?**

1 A. The purpose of the EECRF tariff is to allow EPE to recover its proposed energy
2 efficiency program costs, net of any energy efficiency costs included in base rates,
3 the energy efficiency performance incentive amount earned for the most recent
4 complete program year, any adjustment for past over- or under-recovery of
5 authorized energy efficiency revenues, the prior years' EECRF ratemaking
6 proceeding expenses and costs associated Evaluation, Measurement and
7 Verification ("EM&V") of energy efficiency programs.

8 EPE's total energy efficiency costs are recovered through an energy charge
9 applicable to all non-transmission voltage level customer classes except the Private
10 Area Lighting Service class. In addition, for customers taking Interruptible Power
11 Service, only that portion of their requirements designated as firm is subject to the
12 EECRF. The EECRF rates are calculated for each rate class based on the
13 aggregate amount of costs allocated to each class divided by the projected 2015
14 kWh at the meter for the class. PURA § 39.905(b)(4) provides that the EECRF
15 should "ensur[e] that the costs associated with programs provided under this
16 section are borne by the customer classes that receive the services under the
17 programs." By excluding the transmission voltage customers, the Private Area
18 Lighting Service class and Interruptible Power Service, EPE's rate design ensures
19 that only the customer classes eligible to participate under the energy efficiency
20 programs pay the EECRF. The calculation of the EPE's proposed EECRF for 2015
21 is shown in Exhibit JS-1.

22
23

1 **Q. WHY IS EPE FILING THIS REQUEST TO ADJUST ITS EECRF FOR**
2 **THE 2015 PROGRAM YEAR?**

3 A. EPE is filing to adjust the EECRF to ensure recovery of its reasonable costs of
4 providing energy efficiency programs pursuant to P.U.C. Substantive Rule 25.181
5 (the "Rule"). The Rule requires that a utility with an EECRF apply each year to
6 adjust its EECRF in order to reflect changes in program and administrative costs, a
7 true-up of the prior program years' over- or under-recovery of energy efficiency
8 expenses, any performance incentive earned based on the utility's previous year's
9 energy efficiency program performance, administrative expenses and the cost of
10 Evaluation, Measurement and Verification ("EM&V") allocated to the utility by
11 the Commission. The Rule also allows recovery through the EECRF of the prior
12 year's EECRF proceeding expenses.

13

14 **IV. EPE'S 2015 PROPOSED EECRF**

15 **Q. WHAT ARE THE TOTAL RECOVERABLE ENERGY EFFICIENCY**
16 **EXPENSES THAT EPE IS SEEKING TO RECOVER IN THE PROPOSED**
17 **2015 EECRF?**

18 A. Based on the 2015 energy efficiency program costs described by EPE
19 Witness Stone, EPE is seeking to recover \$6,686,708 through its 2015 EECRF.
20 That amount includes the following:

- 21 • EPE's 2015 Total Proposed Energy Efficiency Program Budget of
- 22 \$4,384,650;
- 23 • EPE's 2013 Energy Efficiency Performance Incentive amount of \$2,035,783;

- 1 • EPE's prior year (2013) EECRF proceeding expenses of \$83,681;
- 2 • A true-up adjustment, by rate class, of EPE's net under-recovery for 2013
- 3 of \$82,872; and
- 4 • EM&V costs of \$99,722 for program year 2014.

5

6 **Q. HOW DO THESE COSTS COMPARE TO THOSE THAT EPE SOUGHT**
7 **TO RECOVER THROUGH THE EECRF FOR 2014?**

8 A. Pursuant to the settlement in Docket No. 41403 (Exhibit A), EPE's 2014 EECRF
9 was designed to recover \$4,245,413. EPE's request for 2015 total recoverable
10 energy efficiency costs is 58% more than 2014.

11

12 **Q. WHAT ACCOUNTS FOR THE INCREASE IN TOTAL RECOVERABLE**
13 **ENERGY EFFICIENCY COSTS RELATIVE TO THOSE REQUESTED**
14 **FOR THE 2014 EECRF?**

15 A. Three factors contribute to the increase in total energy efficiency program costs for
16 2015. First, as described more fully in Witness Stone's testimony, the requested
17 2013 performance incentive of \$2,035,783 is higher than prior years. The 2012
18 energy efficiency performance incentive amount approved for the 2014 EECRF of
19 \$257,051, which reflected an adjustment for 2011, is \$1,778,732 less than the
20 incentive amount calculated for the 2015 EECRF pursuant to the Rule. Second,
21 the 2014 EECRF incorporated a prior year's (2012) over-recovery of \$618,113,
22 reducing the total amount to be recovered in the 2014 EECRF. The 2015 EECRF
23 proposed here includes an under-collection for 2013, reflecting a difference

1 between energy efficiency costs authorized for 2013 and those actually recovered
2 through the 2013 EECRF of \$82,872. This represents a net difference (resulting in
3 an increase) in total EECRF revenues between 2014 and 2015 of \$700,985.
4 Finally, the 2013 EECRF proceeding expenses of \$83,681 that EPE proposes be
5 recovered through the 2015 EECRF exceed those approved for 2014 by \$42,552.

6 Slightly offsetting these three factors is a difference attributable to EM&V
7 costs. The EM&V costs are statewide costs that are allocated among utilities.
8 Each utility has been directed to pay these costs, EPE included. The 2014 EECRF
9 includes a combined program year 2012 and program year 2013 EM&V cost of
10 \$180,695. Based on the allocated program year 2014 costs, as addressed in more
11 detail by Witness Stone, EPE has included \$99,722 of allocated EM&V costs in
12 the 2015 EECRF. This is a reduction from the 2014 EECRF of \$80,973.

13
14 **Q. WHAT ARE THE TOTAL PROJECTED ENERGY EFFICIENCY**
15 **PROGRAM COSTS EPE IS SEEKING TO RECOVER IN THE 2015**
16 **EECRF?**

17 **A.** EPE is seeking to recover total projected 2015 program costs of \$4,384,650, as
18 filed in EPE's 2014 Energy Efficiency Plan and Report ("EEPR") with the
19 Commission April 1, 2014. The EEPR is attached as Exhibit SES-1 to
20 Witness Stone's testimony, and the breakdown of individual program costs are
21 summarized in Table 6 of that Exhibit. In summary, the \$4,384,650 consists of
22 \$2,617,630 for commercial programs, \$536,346 for residential programs, \$539,125
23 for programs available to residential and commercial customers, \$600,000 for

1 hard-to-reach programs, and \$91,549 in not-directly assignable administrative
2 costs. In addition, the proposed EECRF for 2015 includes \$99,722 in allocated
3 EM&V costs for the statewide EM&V contractor associated with program year
4 2014 EM&V activities. This \$99,722 budget is split across 2014 and 2015 as
5 described by Witness Stone. EPE's official program year 2014 cost allocation for
6 EM&V was received subsequent to the filing of the 2014 EEPR and is shown in
7 the revised Table 6 in Exhibit SES-5 attached to Witness Stone's testimony.

8
9 **Q. PLEASE EXPLAIN WHY THERE WAS AN UNDER-RECOVERY OF**
10 **\$82,872 FOR 2013?**

11 A. Two factors account for the under-recovery in 2013. EPE had calculated the 2013
12 EECRF based on forecasted sales for the applicable classes of 4,960,812,440 kWh.
13 Actual sales to the eligible classes in 2013 were 4,913,866,470 kWh, a difference
14 of 46,945,970 kWh, or approximately 1% below forecast. On a rate class basis,
15 lower actual sales produce an under-collection (relative to expected revenues based
16 on forecasted sales) of \$122,854. This sales-related under-recovery is mitigated to
17 some extent because EPE's total energy efficiency costs for 2013 were \$32,716
18 lower than expected.

19
20 **Q. PLEASE EXPLAIN HOW THE PROPOSED UNDER-RECOVERY TRUE-**
21 **UP WAS CALCULATED?**

22 A. The under-recovery amount is based on the difference between the actual amount
23 of program costs incurred from January to December 2013, which is the period

1 during which EPE's 2013 EECRF was in effect, and the amount of revenue
2 recovered through the 2013 EECRF for each rate class for the same period. As
3 reported in the EEPR, the total costs for 2013 included; \$4,351,934 in actual
4 energy efficiency program costs for 2013, deferred program costs of \$1,015,863
5 for the period from September 2007 through June 2010 as authorized in Docket
6 No. 35612 and the 2011 performance incentive amount of \$541,221, net of the
7 2011 over-recovery amount of \$447,900. The total revenue collected under the
8 authorized 2013 EECRF was \$5,378,247, which results in a system under-recovery
9 of \$82,871 for the 2013 program year.

10 The contribution of each rate class to the total under-collection is recovered
11 from that class in the proposed 2015 EECRF. As shown in Exhibit JS-1, page 5,
12 when considered on a per-class basis, this net under-recovery consists of both
13 over- and under-recovery of actual expenses.¹

14
15 **Q. WHAT BILLING DETERMINANTS DID EPE USE TO CALCULATE THE**
16 **PROPOSED 2015 EECRF?**

17 **A.** EPE utilized projected 2015 kWh sales by rate class based on EPE's 2015 Long
18 Term Forecast, as shown in Exhibit JS-1, page 1.

19
20 **Q. IS EPE PROPOSING TO COMBINE ANY RATE CLASSES AS ALLOWED**
21 **UNDER THE RULE?**

22 **A.** Yes. Consistent with the Final Order in EPE's prior EECRF proceeding for the

¹ Differences between the EEPR and the sum of allocated costs on a class basis in Exhibit JS-1 are due to rounding.

1 2014 program year, EPE requests a good cause exemption to combine rate classes
2 which receive similar services under the same energy efficiency programs, as
3 provided for in SUBST. R. 25.181(f)(2). For purposes of calculating the 2015
4 EECRF, EPE proposes to again combine Cotton Gin Service with the
5 Cogeneration Service rate class, and combine University Service with the Large
6 Power Service rate group.²

7
8 **Q. HOW WAS THE PROPOSED EECRF DETERMINED USING 2015**
9 **PROJECTED BILLING UNITS?**

10 A. The total energy efficiency costs associated with the 2015 EECRF, consisting of
11 the proposed 2015 energy efficiency program costs, including incentives and
12 administration, EM&V and EECRF proceeding costs, the 2013 performance
13 incentive, the adjustment for the 2013 under-recovery for each rate class, and the
14 prior year's EECRF proceeding costs were first allocated to each rate class. The
15 total costs by rate were then divided by the 2015 projected kWh sales for each rate
16 class to produce the EECRF by rate class.

17
18 **Q. HOW WERE THE 2015 ENERGY EFFICIENCY PROGRAM COSTS**
19 **ALLOCATED TO EACH RATE CLASS?**

20 A. The proposed 2015 program budget, excluding administration costs not directly
21 assigned to a particular program, is assigned or allocated by program to each rate
22 class that is eligible to participate in that program. Costs associated with programs

² The combination of these groups was previously approved in the Final Order in Docket No. 41403.

1 available to a single rate class are directly assigned to that class. The cost of
2 programs available to several classes are allocated among those class based on
3 2013 energy and 4 Coincident Peak ("4-CP") average demand for that class. EPE
4 calculates the ratio of energy for each class eligible for a program to the total
5 energy of all classes eligible to participate in that program. The same is done
6 utilizing the 4-CP demand. These two percentages are averaged to determine the
7 allocation factor and then applied to the common program costs.

8 Administration costs that are not directly assigned to specific programs are
9 then allocated to each rate class based on the percent of total program costs
10 allocated to that class. This method for allocating program and administration was
11 utilized in setting EPE's 2014 EECRF rates approved through settlement.
12

13 **Q. HOW WERE THE 2013 PERFORMANCE INCENTIVE AND 2014 EECRF**
14 **PROCEEDING COSTS ALLOCATED TO EACH CLASS?**

15 A. SUBST. R. 25.181(h) provides that any performance incentive be allocated in
16 proportion to the cost of meeting the demand and energy goals and "allocated to
17 eligible customers" on a rate class basis. However, consistent with its settlement in
18 the 2014 EECRF proceeding and for consistency, EPE allocates the 2013
19 performance incentive and EECRF proceeding costs to individual classes based on
20 the ratio of actual 2013 incentives provided to participating customers in each class
21 to total 2013 incentives paid. This allocation is shown in Exhibit JS-1, page 4.
22
23

1 Q. HAVE YOU PROVIDED A PROPOSED EECRF TARIFF?

2 A. Yes. It is provided as Exhibit JS-2 to this testimony, and is attached to the
3 Application as Attachment A.
4

5 Q. HOW DOES THE PROPOSED EECRF RATES COMPARE TO THE
6 CURRENT EECRF RATES?

7 A. A comparison of the 2014 program year EECRF to the proposed 2015 EECRF is
8 included in Exhibit JS-3 and summarized in Table 1 below. All but one of the
9 eleven rate groups (accounting for combined groups as proposed below) will
10 experience an increase in the EECRF.

11 Table 1
12 EECRF Comparison (\$/kWh)

| Rate Class | 2014 EECRF | Proposed 2015 EECRF | Percent Change |
|--------------------------------------|------------|------------------------|-------------------|
| Residential Service | 0.000748 | 0.001160 | 55.1% |
| Small Commercial Service | 0.001979 | 0.002830 | 43.0% |
| Outdoor Recreational Lighting | 0.000247 | 0.000313 | 26.7% |
| Governmental Street Lighting Service | (0.000058) | (0.000046) | 20.7% |
| Municipal Pumping Service | 0.000218 | 0.000653 | 199.5% |
| Water Heating Service | (0.000880) | (0.000454) | 48.4% |
| Irrigation Service | 0.000521 | 0.000839 | 61.0% |
| General Service | 0.000644 | 0.000792 | 23.0% |
| Large Power Service - Sec. Pri. | 0.001051 | 0.001700 | 61.8% |
| Cotton Gin Service | 0.002681 | (0.000494) | -118.4% |
| City / County Service | 0.001292 | 0.003555 | 175.2% |
| University Service | 0.001051 | 0.001700 | 61.8% |
| Cogeneration | 0.002681 | (0.000494) | -118.4% |

21
22 Q. WHAT CAUSES THE INCREASE TO VARY BETWEEN CLASSES?

23 A. EPE is proposing the same total program budget for 2015 as was adopted for 2014

1 in Docket No. 41403. However, there are some differences in proposed program
2 budgets by rate class as a result of the allocation methodology. Changes in the
3 measured energy and peak demand for individual groups' changes the relative
4 allocation of the total budget between rate groups. For example, program costs
5 allocated to the Municipal Pumping Service and Irrigation Service rate groups for
6 2015 are 22.5% and 50.5% higher, respectively, than the amount allocated in 2014.
7 Allocated program costs to the combined Cotton Gin/Cogeneration group for 2015
8 are 57.6% lower.

9 The largest change in non-incentive expenses is the increase over 2014 in
10 the requested performance incentive. The impact of this change varies by class
11 (based on actual program expenses in 2013), but represents an increase for all
12 classes over the incentive amount approved for the 2014 EECRF.

13 The bulk of the remaining variation in EECRF from 2014 to the proposed
14 2015 is the result of a change in the over- or under collected condition of cost
15 recovery. The 2014 EECRF rates adopted by settlement in Docket No. 41403
16 were designed to return a prior year over-recovery of \$618,113 associated with the
17 2012 program year. The EECRF rates proposed herein include an under-recovery
18 for 2013 programs of \$82,872, based on actual EECRF expenditures for the 2013
19 program year. The net impact is a relative change of \$700,985. The effect of the
20 relative increase in this portion of the EECRF varies between classes.

21

22 **Q. HOW MUCH DO THE ENERGY EFFICIENCY PROGRAM COSTS, THE**
23 **PERFORMANCE INCENTIVE, THE PRIOR YEAR EECRF**

**PROCEEDING COST, THE OVER UNDER RECOVERY, AND EM&V
COSTS CONTRIBUTE TO THE EECRF AS PROPOSED?**

A. The contribution of the individual components to each rate class' total EECRF is shown in Exhibit JS-3, including the magnitude and percent contribution to the total change for each class from 2014 to 2015. The exhibit shows the impact, by class, of changes in the amounts recovered in the EECRF and the impact of each on the total rate. The Residential class component breakout is shown in Table 2 below.

Table 2
Residential Service - EECRF Comparison

| | Authorized 2014 EECRF | Proposed 2015 EECRF | Total Change | Percent Change | Contribution to Total Change |
|------------------------------|--------------------------|------------------------|--------------|-------------------|------------------------------------|
| Forecasted MWh Sales | 2,051,836 | 2,093,851 | 42,016 | 2.0% | |
| Proposed Program Budget | \$ 1,564,813 | \$ 1,566,570 | \$ 1,757 | 0.1% | 0.2% |
| | 0.000763 | 0.000748 | 0.000042 | | |
| Energy Efficiency Bonus | \$ 126,738 | \$ 752,304 | \$ 625,566 | 493.6% | 69.9% |
| | 0.000062 | 0.000359 | 0.014889 | | |
| EECRF Proceeding Expenses | \$ 16,689 | \$ 30,924 | \$ 14,234 | 85.3% | 1.6% |
| | 0.000008 | 0.000015 | 0.000339 | | |
| (Over)/Under Recovery | \$ (227,622) | \$ 47,817 | \$ 275,439 | 121.0% | 30.8% |
| | (0.000111) | 0.000023 | 0.006556 | | |
| EM&V Expenses | \$ 53,641 | \$ 31,928 | \$ (21,713) | -40.5% | -2.4% |
| | 0.000026 | 0.000015 | (0.000517) | | |



For Residential Service customers, the increase in allocated performance incentive and the net change from over-recovery in 2014 to under-recovery in 2015 account

1 for the bulk of the 60 percent increase in the EECRF for residential service.

2
3 **Q. HOW DOES THE EECRF, AS PROPOSED, AFFECT A TYPICAL EPE**
4 **RESIDENTIAL CUSTOMER?**

5 A. The EECRF for the Rate 01 - Residential Service class as proposed for 2015 is
6 \$0.001160 per kWh. Based on average usage of 600 kWh per month, a typical
7 residential customer will receive on average an EECRF charge in 2015 of \$0.70 per
8 month. During 2014, the EECRF for residential customers is \$0.000748, and the
9 comparable charge for 600 kWh of usage is \$0.45 per month. While this represents
10 a 56% increase in the EECRF applicable to residential customers, it is only an
11 increase of \$0.25 cents per month in nominal terms or about a 3/10th of one percent
12 increase in a residential customer's current average monthly bill of \$73.

13
14 **V. EPE'S REQUEST TO ESTABLISH REVISED COST CAP**

15 **Q. DO THE COMMISSION'S RULES PROVIDE FOR A LIMITATION ON**
16 **THE EXPENDITURES A UTILITY MAY RECOVER FOR ENERGY**
17 **EFFICIENCY PROGRAMS?**

18 A. Yes. P.U.C SUBST. R. 25.181(f)(7) sets cost caps on the amount that can be
19 charged to a customer for recovery of costs related to Energy Efficiency on a per
20 kWh basis. Subsection (E) states that for the 2014 program year and thereafter, the
21 residential and commercial cost caps shall be calculated to be the prior period's
22 cost caps increased by a rate equal to the most recently available calendar year's
23 percentage change in the South urban consumer price index ("CPI-U"), as

1 determined by the Federal Bureau of Labor Statistics.

2

3 **Q. WHAT IS THE COST CAP THAT IS APPLICABLE TO EPE FOR 2015**
4 **PROGRAM COSTS?**

5 A. In its 2013 application for the 2014 program year, EPE requested and received a
6 revision of the cost cap for commercial service customers. Under the Rule, the
7 cost cap for commercial service customers in 2014 was \$0.000761 per kWh.³
8 Total EECRF costs subject to the cap for these customers, as adopted in the Final
9 Order in Docket No. 41403, were \$2,798,279 or \$0.00090 per kWh.

10 For 2015 program costs, the 2014 cost caps of \$0.00122 per kWh for
11 residential customers and \$0.00076 per kWh for commercial customers (pursuant
12 to the Rule) are adjusted based on the most recent CPI-U percent change as
13 reported by the Federal Bureau of Labor Statistics. For the last twelve months
14 ended March 2014, the CPI-U is 1.4%. With this adjustment, the 2015 cost cap
15 applicable to EPE for residential customers is \$0.001235 per kWh and for non-
16 residential customers it is \$0.000772 per kWh. Assuming the revised cap
17 established for Commercial customers in the EPE's 2014 program year filing (the
18 "prior period" cost cap of \$0.000900), the 2015 cost cap would be \$0.000913 per
19 kWh.

20

21 **Q. HOW DOES THE TOTAL OF EPE'S 2015 EECRF COSTS THAT ARE**
22 **SUBJECT TO THE CAPS FOR THE RESIDENTIAL AND COMMERCIAL**

³ 2013 cost cap of \$0.00075 per kWh escalated by CPI-U of 1.5% (EPE EECRF Filing in Docket No. 41403).

1 **CUSTOMER GROUPS COMPARE TO THE REGULATORY COST CAP?**

2 A. EPE's 2015 EECRF costs that are subject to cap for the residential customer group
3 would result in an EECRF charge of \$0.001120 per kWh, which is below the cost
4 cap for 2015 of \$0.001235 per kWh. However, the commercial customer group is
5 above the 2015 cap, utilizing either the \$0.000772 per kWh or \$0.000913 per kWh,
6 because EPE's 2015 EECRF costs that are subject to cap would result in an
7 EECRF charge of \$0.001392 per kWh. Determination of the cost caps and a
8 comparison to energy efficiency costs subject to the cap is shown in Exhibit JS-4.

9

10 **Q. WHAT IS THE COMMISSION RULE REGARDING REVISING THE**
11 **ENERGY EFFICIENCY COST CAPS?**

12 A. P.U.C. SUBST. R. 25.181(e)(2) states in part:

13 The commission may establish for a utility ...an EECRF greater
14 than the cap specified in subsection(f)(7) of this section if the utility
15 demonstrates that compliance with that ... EECRF cost cap is not
16 reasonably possible and that good cause supports the ...higher
17 EECRF cost cap. To be eligible for a ... higher EECRF cost cap,
18 the utility must request a good cause exception as part of its EECRF
19 application. If approved, the good cause exception is limited to the
20 program year associated with the EECRF application.

21

22 **Q. IS EPE REQUESTING THAT THE COMMISSION REVISE THE COST**
23 **CAP FOR COMMERCIAL CUSTOMERS?**

24 A. Yes. EPE requests that the Commission establish a revised cost cap for
25 commercial service customers, so that EPE can maintain its existing programs with
26 the same level of funding and demand savings goals that were set for 2012, 2013
27 and 2014.

1 **Q. IN YOUR OPINION, IS THERE GOOD CAUSE FOR THE COMMISSION**
2 **TO ESTABLISH REVISED COST CAPS FOR EPE? IF SO, WHY?**

3 A. Yes. EPE has met its goals and can continue with the same goal as in previous
4 years by utilizing funds in the most productive manner. A requirement that EPE
5 maintain allocated costs below the Commercial caps established pursuant to the
6 Rule would necessitate either a lower overall goal or revisions to EPE programs in
7 order to reduce the allocation of costs to the Commercial service class. It would be
8 better to continue with current programs as budgeted and not re-allocate funds to
9 different programs that may not perform as well as current programs. This would
10 allow EPE to still meet its 2015 goal. Additionally, the Commission has
11 previously found merit in this approach and approved revised cost caps for EPE in
12 response to EPE's three previous EECRF filings, most recently for the 2014
13 program year in Docket No. 41403.

14

15 **VI. CONCLUSION**

16 **Q. UNDER EPE'S PROPOSAL, IS THE EECRF APPROPRIATELY**
17 **DESIGNED, CALCULATED AND ALLOCATED TO RATE CLASSES IN**
18 **ACCORDANCE WITH THE REQUIREMENTS OF PURA § 39.905 AND**
19 **P.U.C. SUBST. R. 25.181?**

20 A. Yes. The EECRF is designed consistent with the requirements of the Rule, with
21 revenues allocated to classes consistent with the method previously approved in
22 Docket No. 41403.

23

1 **Q. ARE THE REVISED CAPS EPE IS PROPOSING REASONABLE?**

2 A. Yes. EPE is requesting the cap for Commercial rate classes be revised to allow the
3 continuation of EPE's existing programs at the current level and permit the
4 continuation of an overall effective energy efficiency program.

5

6 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

7 A. Yes, it does.

EL PASO ELECTRIC COMPANY
EPE's Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2015

| Line No. | Applicable Rate | Rate Class | 2015 Projected Metered kWh | 2015 Proposed Program Budget | 2013 Energy Efficiency Bonus | 2013 Total EECRF Proceeding Expenses | 2013 (Over)/Under Recovery | 2013 EM&V Expenses | Total Energy Efficiency Costs to be Recovered | 2015 Total Rate per kWh |
|----------|-----------------|--------------------------------------|----------------------------|------------------------------|------------------------------|--------------------------------------|----------------------------|--------------------|---|-------------------------|
| 1 | 01 | Residential Service | 2,093,851,457 | \$ 1,566,570 | \$ 752,304 | \$ 30,924 | \$ 47,816 | \$ 31,928 | \$ 2,429,542 | \$ 0.001160 |
| 2 | 02 | Small Commercial Service | 249,670,858 | 167,523 | 184,297 | 7,576 | 337,406 | 9,654 | 706,455 | 0.002830 |
| 3 | 07 | Outdoor Recreational Lighting | 5,313,362 | 2,342 | - | - | (678) | - | 1,664 | 0.000313 |
| 4 | 08 | Governmental Street Lighting Service | 40,156,433 | 3,031 | - | - | (4,875) | - | (1,843) | (0.000046) |
| 5 | 11 | Municipal Pumping Service | 185,351,046 | 214,405 | - | - | (93,382) | - | 121,023 | 0.000653 |
| 6 | 15 | Electrolytic Refining Service | - | - | - | - | - | - | - | - |
| 7 | 21 | Water Heating Service | 13,718,962 | - | - | - | (6,234) | - | (6,234) | (0.000454) |
| 8 | 22 | Irrigation Service | 5,388,993 | 5,702 | - | - | (1,180) | - | 4,521 | 0.000839 |
| 9 | 24 | General Service | 1,504,334,466 | 1,504,369 | 550,623 | 22,633 | (915,411) | 29,910 | 1,192,124 | 0.000792 |
| 10 | 25 | Large Power Service - Sec. Pri | 679,131,244 | 633,199 | 267,293 | 10,987 | 239,472 | 3,908 | 1,154,860 | 0.001700 |
| 11 | 25T | Large Power Service- Trans. | - | - | - | - | - | - | - | - |
| 12 | 26 | Petroleum Refining Service | - | - | - | - | - | - | - | - |
| 13 | 28 | Private Area Lighting | - | - | - | - | - | - | - | - |
| 14 | 30 | Electric Furnace Service | - | - | - | - | - | - | - | - |
| 15 | 31 | Military Reservation Service | - | - | - | - | - | - | - | - |
| 16 | 34 | Cotton Gin Service | 914,030 | 544 | - | - | (995) | - | (452) | (0.000494) |
| 17 | 38 | Interruptible Service | - | - | - | - | - | - | - | - |
| 18 | 41 | City / County Service | 305,220,635 | 286,964 | 281,266 | 11,561 | 480,932 | 24,322 | 1,085,046 | 0.003555 |
| 19 | 43 | University Service (a) | - | - | - | - | - | - | - | - |
| 20 | 46/47 | Cogeneration (b) | - | - | - | - | - | - | - | - |
| 21 | | Texas Total | 5,083,051,486 | \$ 4,384,650 | \$ 2,035,783 | \$ 83,681 | \$ 82,871 | \$ 99,722 | \$ 6,686,707 | 0.001315 |

(a) Rates combined with Rate 25 - Large Power Service - Sec. Pri. in accordance with P.U.C. Subst. Rule 25.181.(f).(2)
(b) Rates combined with Rate 34 - Cotton Gin Service in accordance with P.U.C. Subst. Rule 25.181.(f).(2)

EL PASO ELECTRIC COMPANY
EPE's Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Allocation of 2015 Proposed Energy Efficiency Budget

| Line No. | Program | 2015 Proposed EE Budget | 01 Residential Service | 02 Small Commercial Service | 07 Outdoor Recreational Lighting | 08 Governmental Street Lighting Service | 11 Municipal Pumping Service | 22 Irrigation Service | 24 General Service |
|----------|--|-------------------------|------------------------|-----------------------------|----------------------------------|---|------------------------------|-----------------------|--------------------|
| 1 | Commercial SOP | \$ 252,000 | - | 25,457 | 233 | - | 14,057 | 556 | 133,185 |
| 2 | Small Commercial Solutions MTP | 461,115 | - | 67,546 | 628 | - | 37,451 | 1,475 | 354,015 |
| 3 | Large C&I Solutions MTP | 895,396 | - | - | 1,027 | - | 64,338 | 2,579 | 614,088 |
| 4 | Texas SCORE MTP | 415,569 | - | 41,720 | 379 | 2,967 | 22,992 | 911 | 218,077 |
| 5 | Load Management SOP | 460,000 | - | - | - | - | 69,482 | - | - |
| 6 | Commercial Rebate Pilot MTP | 95,000 | - | 10,185 | - | - | - | - | 53,352 |
| 7 | Residential Solutions MTP | 190,000 | 190,000 | - | - | - | - | - | - |
| 8 | Living Wise MTP | 346,346 | 346,346 | - | - | - | - | - | - |
| 9 | Appliance Recycling MTP | 289,125 | 289,125 | - | - | - | - | - | - |
| 10 | PV/Solar Pilot MTP | 212,500 | 91,934 | 12,944 | - | - | - | - | 67,710 |
| 11 | Hard To Reach Solutions MTP | 600,000 | 600,000 | - | - | - | - | - | - |
| 12 | Total Program Incentives | \$ 4,217,051 | 1,517,405 | 157,853 | 2,267 | 2,967 | 208,320 | 5,520 | 1,440,427 |
| 13 | Commercial SOP Administration | \$ 28,000 | - | 2,829 | 26 | - | 1,562 | 62 | 14,798 |
| 14 | Commercial Rebate Pilot MTP Administration | 10,550 | - | 1,131 | - | - | - | - | 5,925 |
| 15 | PV/Solar Pilot MTP Administration | 37,500 | 16,224 | 2,284 | - | - | - | - | 11,949 |
| 16 | Total Direct Administration | \$ 76,050 | 16,224 | 6,244 | 26 | - | 1,562 | 62 | 32,672 |
| 17 | Administration Expenses | 91,549 | 32,942 | 3,427 | 49 | 64 | 4,522 | 120 | 31,271 |
| 18 | Total Program Budget | \$ 4,384,650 | 1,566,570 | 167,523 | 2,342 | 3,031 | 214,405 | 5,702 | 1,504,369 |

* No program allocation to Electrolytic Refining Service, Water Heating Service, Large Power Transmission Service, Petroleum Refining Service, Private Area Lighting, Electric Furnace Service, or Interruptible Service.

- (a) Combined for EECRF purposes with Large Power Service.
(b) Combined for EECRF purposes with Cotton Gin Service Service.

EL PASO ELECTRIC COMPANY
EPE's Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Allocation of 2015 Proposed Energy Efficiency Budget

| Line No. | Program | 2015 Proposed EE Budget | 25 Large Power Service - Sec. Pri. | 34 Cotton Gin Service | 41 City / County Service | 43 University Service (a) | 46/47 Cogeneration (b) | Total |
|----------|--|-------------------------|------------------------------------|-----------------------|--------------------------|---------------------------|------------------------|-----------|
| 1 | Commercial SOP | \$ 252,000 | 46,586 | 41 | 31,885 | - | - | 252,000 |
| 2 | Small Commercial Solutions MTP | 461,115 | - | - | - | - | - | 461,115 |
| 3 | Large C&I Solutions MTP | 895,396 | 213,182 | 182 | - | - | - | 895,396 |
| 4 | Texas SCORE MTP | 415,569 | 76,194 | 66 | 52,262 | - | - | 415,569 |
| 5 | Load Management SOP | 460,000 | 230,222 | 197 | 160,099 | - | - | 460,000 |
| 6 | Commercial Rebate Pilot MTP | 95,000 | 18,693 | 16 | 12,754 | - | - | 95,000 |
| 7 | Residential Solutions MTP | 190,000 | - | - | - | - | - | 190,000 |
| 8 | Living Wise MTP | 346,346 | - | - | - | - | - | 346,346 |
| 9 | Appliance Recycling MTP | 289,125 | - | - | - | - | - | 289,125 |
| 10 | PV/Solar Pilot MTP | 212,500 | 23,679 | 21 | 16,213 | - | - | 212,500 |
| 11 | Hard To Reach Solutions MTP | 600,000 | - | - | - | - | - | 600,000 |
| 12 | Total Program Incentives | \$ 4,217,051 | 608,557 | 523 | 273,213 | - | - | 4,217,051 |
| 13 | Commercial SOP Administration | \$ 28,000 | 5,176 | 5 | 3,543 | - | - | 28,000 |
| 14 | Commercial Rebate Pilot MTP Administration | 10,550 | 2,076 | 2 | 1,416 | - | - | 10,550 |
| 15 | PV/Solar Pilot MTP Administration | 37,500 | 4,179 | 4 | 2,861 | - | - | 37,500 |
| 16 | Total Direct Administration | \$ 76,050 | 11,431 | 10 | 7,820 | - | - | 76,050 |
| 17 | Administration Expenses | 91,549 | 13,211 | 11 | 5,931 | - | - | 91,549 |
| 18 | Total Program Budget | \$ 4,384,650 | 633,199 | 544 | 286,964 | - | - | 4,384,650 |

- * No program allocation to Electrolytic Refining Service, Water Heat Refining Service, Private Area Lighting, Electric Furnace Service,
- (a) Combined for EECRF purposes with Large Power Service.
- (b) Combined for EECRF purposes with Cotton Gin Service Service.

EL PASO ELECTRIC COMPANY
EPE's Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
2013 Energy Efficiency Bonus Allocation Based on 2013 Program Costs

| Line No. | Rate | Applicable Rate | Rate Class | Actual 2013 EE Program Costs | 2013 EE Bonus | 2013 EPE EECRF Proceeding Expenses | 2013 Municipal EECRF Proceeding Expenses | 2013 Total EECRF Proceeding Expenses |
|---------------------------------------|-------|-----------------|--------------------------------------|------------------------------|---------------|------------------------------------|--|--------------------------------------|
| 1 | 01 | 01 | Residential Service | \$ 1,608,216 | \$ 752,304 | \$ 27,332 | \$ 3,592 | \$ 30,924 |
| 2 | 02 | 02 | Small Commercial Service | 393,975 | 184,297 | 6,696 | 880 | 7,576 |
| 3 | 07 | 07 | Outdoor Recreational Lighting | - | - | - | - | - |
| 4 | 08 | 08 | Governmental Street Lighting Service | - | - | - | - | - |
| 5 | 11 | 11 | Municipal Pumping Service | - | - | - | - | - |
| 6 | 15 | | Electrolytic Refining Service | - | - | - | - | - |
| 7 | 21 | 21 | Water Heating Service | - | - | - | - | - |
| 8 | 22 | 22 | Irrigation Service | - | - | - | - | - |
| 9 | 24 | 24 | General Service | 1,177,077 | 550,623 | 20,004 | 2,629 | 22,633 |
| 10 | 25 | 25 | Large Power Service - Sec. Pri. | 571,398 | 267,293 | 9,711 | 1,276 | 10,987 |
| 11 | 25T | | Large Power Service- Trans. | - | - | - | - | - |
| 12 | 26 | | Petroleum Refining Service | - | - | - | - | - |
| 13 | 28 | | Private Area Lighting | - | - | - | - | - |
| 14 | 30 | | Electric Furnace Service | - | - | - | - | - |
| 15 | 31 | | Military Reservation Service | - | - | - | - | - |
| 16 | 34 | 34 | Cotton Gin Service | - | - | - | - | - |
| 17 | 38 | | Interruptible Service | - | - | - | - | - |
| 18 | 41 | 41 | City / County Service | 601,268 | 281,266 | 10,219 | 1,343 | 11,561 |
| 19 | 43 | | University Service (a) | - | - | - | - | - |
| 20 | 46/47 | | Cogeneration (b) | - | - | - | - | - |
| 21 | | | Totals | \$ 4,351,934 | \$ 2,035,783 | \$ 73,961 | \$ 9,720 | \$ 83,681 |
| 2013 Energy Efficiency Bonus Adjusted | | | | \$ 2,035,783 | | | | |

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
2013 Energy Efficiency Cost Recovery Factor Collections
and Energy Efficiency Costs By Rate Class for January through December 2013

| Line No. | Applicable Rate | Rate Class | 2013 EECRF Collections | Actual 2013 EE Incentives | 2011 Deferred EE Program Costs | 2011 EE Bonus | 2011 (Over) / Under Recovery | Authorized 2013 (Over) / Under Recovery |
|----------|-----------------|--------------------------------------|------------------------|---------------------------|--------------------------------|---------------|------------------------------|---|
| 1 | 01 | Residential Service | \$ 1,091,612 | \$ 1,608,216 | \$ 334,043 | \$ 99,804 | \$ (902,635) | \$ 47,816 |
| 2 | 02 | Small Commercial Service | 461,949 | 393,975 | 20,228 | 55,395 | 329,757 | 337,406 |
| 3 | 07 | Outdoor Recreational Lighting | 342 | - | 694 | - | (1,030) | (678) |
| 4 | 08 | Governmental Street Lighting Service | 847 | - | 4,441 | - | (8,469) | (4,875) |
| 5 | 11 | Municipal Pumping Service | 45,791 | - | 41,444 | - | (89,035) | (93,382) |
| 6 | 15 | Electrolytic Refining Service | - | - | - | - | - | - |
| 7 | 21 | Water Heating Service | (11,060) | - | 3,783 | - | (21,077) | (6,234) |
| 8 | 22 | Irrigation Service | 377 | - | 425 | - | (1,228) | (1,180) |
| 9 | 24 | General Service | 2,171,896 | 1,177,077 | 473,807 | 131,113 | (525,512) | (915,411) |
| 10 | 25 | Large Power Service - Sec. Pri. | 916,464 | 571,398 | 77,019 | 186,483 | 353,565 | 272,001 |
| 11 | 25T | Large Power Service- Trans. | - | - | - | - | - | - |
| 12 | 26 | Petroleum Refining Service | - | - | - | - | - | - |
| 13 | 28 | Private Area Lighting | - | - | - | - | - | - |
| 14 | 30 | Electric Furnace Service | - | - | - | - | - | - |
| 15 | 31 | Military Reservation Service | - | - | - | - | - | - |
| 16 | 34 | Cotton Gin Service | (90) | - | 240 | - | (842) | (512) |
| 17 | 38 | Interruptible Service | - | - | - | - | - | - |
| 18 | 41 | City / County Service | 679,639 | 601,268 | 43,692 | 68,426 | 447,186 | 480,932 |
| 19 | 43 | University Service (a) | 20,458 | - | 15,700 | - | (27,771) | (32,529) |
| 20 | 46/47 | Cogeneration (b) | 21 | - | 347 | - | (809) | (483) |
| 21 | | Totals | \$ 5,378,247 | \$ 4,351,934 | \$ 1,015,863 | \$ 541,221 | \$ (447,900) | \$ 82,871 |

Exhibit JS-1
Page 6 of 6

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2015

| Program | Sector | 2014 Blended Cost | TXRT01 | TXRT02 | TXRT24 | TXRT25 | TXRT41 | TXRT43 | Total |
|--------------------------------|----------------------------|---------------------|---------------------|--------------------|---------------------|--------------------|---------------------|------------------|---------------------|
| Large C&I Solutions MTP | Nonresidential | \$ 24,173.00 | - | 362.98 | 8,896.59 | - | 14,913.45 | - | 24,173.00 |
| Small Commercial Solutions MTP | Nonresidential | 13,097.00 | - | 6,671.93 | 6,425.07 | - | - | - | 13,097.00 |
| Commercial SOP | Nonresidential | 15,444.00 | - | 2,304.91 | 11,220.96 | 912.40 | 1,005.72 | - | 15,444.00 |
| Texas SCORE MTP | Nonresidential | 10,198.00 | - | 168.11 | 1,490.77 | 744.05 | 7,443.86 | 351.22 | 10,198.00 |
| Load Management SOP | Nonresidential | 1,880.00 | - | - | - | 1,880.00 | - | - | 1,880.00 |
| Rebate Pilot MTP | Nonresidential | 2,530.00 | - | 62.10 | 1,488.24 | 20.25 | 959.41 | - | 2,530.00 |
| Residential Solutions MTP | Residential | 7,196.00 | 7,196.00 | - | - | - | - | - | 7,196.00 |
| LivingWise MTP | Residential | 5,474.00 | 5,474.00 | - | - | - | - | - | 5,474.00 |
| Appliance Recycling MTP | Residential/Nonresidential | 8,886.00 | 8,886.00 | - | - | - | - | - | 8,886.00 |
| PV/Solar Pilot MTP | Residential/Nonresidential | 2,820.00 | 2,348.49 | 83.50 | 388.01 | - | - | - | 2,820.00 |
| Hard-to-Reach Solutions MTP | Hard-to-Reach | 8,024.00 | 8,024.00 | - | - | - | - | - | 8,024.00 |
| Total | | \$ 99,722.00 | \$ 31,928.49 | \$ 9,653.51 | \$ 29,909.65 | \$ 3,556.69 | \$ 24,322.44 | \$ 351.22 | \$ 99,722.00 |

SCHEDULE NO. 97
ENERGY EFFICIENCY COST RECOVERY FACTOR**APPLICABILITY**

Electric service billed under rate schedules having an Energy Efficiency Cost Recovery Factor Clause shall be subject to an Energy Efficiency Cost Recovery Factor ("EECRF"). The EECRF is not applicable to service billed at transmission voltage rates.

Pursuant to PUCT §25.181(f), the EECRF allows the Company to recover the cost of energy efficiency programs from the customer classes that receive services under such programs.

TERRITORY

Texas Service Area

MONTHLY RATE

| Rate No. | Description | Energy Efficiency Cost Recovery Factor (\$/kWh) | |
|----------|--|---|-----|
| 01 | Residential Service Rate | \$ 0.001160 | (I) |
| 02 | Small Commercial Service Rate | \$ 0.002830 | (I) |
| 07 | Outdoor Recreational Lighting Service Rate | \$ 0.000313 | (I) |
| 08 | Governmental Street Lighting and Signal Service Rate | (\$ 0.000046) | (I) |
| 11 | Municipal Pumping Service Rate | \$ 0.000653 | (I) |
| 11-TOU | Time-Of-Use Municipal Pumping Service Rate | \$ 0.000653 | (I) |
| WH | Water Heating | (\$ 0.000454) | (I) |
| 22 | Irrigation Service Rate | \$ 0.000839 | (I) |
| 24 | General Service Rate | \$ 0.000792 | (I) |
| 25 | Large Power Service Rate (excludes transmission) | \$ 0.001700 | (I) |
| 34 | Cotton Gin Service Rate | (\$ 0.000494) | (R) |
| 41 | City and County Service Rate | \$ 0.003555 | (I) |
| 43 | University Service Rate | \$ 0.001700 | (I) |
| 46 | Maintenance Power Service For Cogeneration And Small Power Production Facilities | (\$ 0.000494) | (R) |
| 47 | Backup Power Service For Cogeneration And Small Power Production Facilities | (\$ 0.000494) | (R) |

Section Number 1
Sheet Number 33
Page 1 of 1

Revision Number 5
Effective with bills issued on or
after January 1, 2015

EL PASO ELECTRIC COMPANY
EP&S Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December

| Line No. | Rate | Applicable Rate | Rate Class | 2015 Projected Metered kWh | 2015 Proposed Program Budget | 2013 Energy Efficiency Bonus | 2013 Total EECRF Proceeding Expenses | 2013 (Over)/Under Recovery | 2013 EIM&V Expenses | Total Energy Efficiency Costs to be Recovered | 2015 Total Rate per kWh |
|----------|-------|-----------------|--------------------------------------|----------------------------|------------------------------|------------------------------|--------------------------------------|----------------------------|---------------------|---|-------------------------|
| 1 | 01 | 01 | Residential Service | 2,093,681,457 | 1,566,570 | 782,304 | 30,924 | 47,817 | 31,828 | 2,428,543 | 0.001160 |
| 2 | 02 | 02 | Small Commercial Service | 249,670,858 | 167,523 | 184,297 | 7,576 | 337,406 | 9,554 | 706,455 | 0.000280 |
| 3 | 07 | 07 | Outdoor Recreational Lighting | 5,313,382 | 2,342 | - | - | (878) | - | 1,864 | 0.000313 |
| 4 | 08 | 08 | Governmental Street Lighting Service | 40,164,433 | 3,031 | - | - | (4,875) | - | (1,843) | (0.000046) |
| 5 | 11 | 11 | Municipal Pumping Service | 185,351,046 | 214,406 | - | - | (93,382) | - | 121,023 | 0.000653 |
| 6 | 15 | - | Electrolytic Refining Service | - | - | - | - | - | - | - | - |
| 7 | 21 | 21 | Water Heating Service | 13,716,982 | - | - | - | (6,234) | - | (6,234) | (0.000454) |
| 8 | 22 | 22 | Irrigation Service | 5,388,893 | 5,702 | - | - | (1,180) | - | 4,521 | 0.000638 |
| 9 | 24 | 24 | General Service | 1,504,334,466 | 1,504,389 | 550,623 | 22,633 | (915,411) | 29,910 | 1,182,124 | 0.000792 |
| 10 | 25 | 25 | Large Power Service - Sec. Pk. | 679,131,244 | 633,199 | 267,283 | 10,987 | 239,472 | 3,808 | 1,154,860 | 0.001700 |
| 11 | 25T | - | Large Power Service - Trans. | - | - | - | - | - | - | - | - |
| 12 | 26 | - | Petroleum Refining Service | - | - | - | - | - | - | - | - |
| 13 | 28 | - | Private Area Lighting | - | - | - | - | - | - | - | - |
| 14 | 30 | - | Electric Furnace Service | - | - | - | - | - | - | - | - |
| 15 | 31 | - | Military Reservation Service | - | - | - | - | - | - | - | - |
| 16 | 34 | 34 | Cotton Gin Service | 914,030 | 644 | - | - | (985) | - | (452) | (0.000464) |
| 17 | 38 | - | Interruptible Service | - | - | - | - | - | - | - | - |
| 18 | 41 | 41 | City / County Service | 305,220,635 | 286,864 | 281,266 | 11,561 | 480,832 | 24,322 | 1,085,046 | 0.003555 |
| 19 | 43 | - | University Service (a) | - | - | - | - | - | - | - | - |
| 20 | 46/47 | - | Cogeneration (b) | - | - | - | - | - | - | - | - |
| 21 | - | - | Texas Total | 5,083,051,486 | 4,384,650 | 2,025,733 | 63,681 | 62,872 | 99,722 | 8,686,708 | 0.001315 |
| 1 | 01 | 01 | Residential Service | 2,051,835,713 | 1,564,813 | 126,728 | 16,689 | (227,622) | 53,641 | 1,534,260 | 0.000746 |
| 2 | 02 | 02 | Small Commercial Service | 257,418,139 | 166,588 | 23,133 | 3,846 | 288,371 | 16,603 | 509,440 | 0.001979 |
| 3 | 07 | 07 | Outdoor Recreational Lighting | 5,461,462 | 2,269 | - | - | (918) | - | 1,352 | 0.000247 |
| 4 | 08 | 08 | Governmental Street Lighting Service | 39,915,211 | 2,865 | - | - | (5,183) | - | (2,316) | (0.000058) |
| 5 | 11 | 11 | Municipal Pumping Service | 176,408,529 | 174,982 | - | - | (136,487) | - | 38,595 | 0.000218 |
| 6 | 15 | - | Electrolytic Refining Service | - | - | - | - | - | - | - | - |
| 7 | 21 | 21 | Water Heating Service | 18,333,362 | - | - | - | (16,131) | - | (16,131) | (0.000880) |
| 8 | 22 | 22 | Irrigation Service | 4,122,984 | 3,789 | - | - | (1,642) | - | 2,146 | 0.000521 |
| 9 | 24 | 24 | General Service | 1,588,409,264 | 1,549,688 | 74,298 | 11,344 | (991,580) | 78,496 | 1,022,226 | 0.000944 |
| 10 | 25 | 25 | Large Power Service - Sec. Pk. | 699,771,929 | 663,865 | 7,316 | 4,846 | 61,631 | 7,715 | 735,374 | 0.001051 |
| 11 | 25T | - | Large Power Service - Trans. | - | - | - | - | - | - | - | - |
| 12 | 26 | - | Petroleum Refining Service | - | - | - | - | - | - | - | - |
| 13 | 28 | - | Private Area Lighting | - | - | - | - | - | - | - | - |
| 14 | 30 | - | Electric Furnace Service | - | - | - | - | - | - | - | - |
| 15 | 31 | - | Military Reservation Service | - | - | - | - | - | - | - | - |
| 16 | 34 | 34 | Cotton Gin Service | 2,358,756 | 1,284 | - | - | 5,041 | - | 6,325 | 0.000581 |
| 17 | 38 | - | Interruptible Service | - | - | - | - | - | - | - | - |
| 18 | 41 | 41 | City / County Service | 320,645,825 | 254,518 | 25,965 | 4,404 | 105,407 | 24,340 | 414,234 | 0.001282 |
| 19 | 43 | - | University Service (a) | - | - | - | - | - | - | - | - |
| 20 | 46/47 | - | Cogeneration (b) | - | - | - | - | - | - | - | - |
| 21 | - | - | Texas Total | 5,164,702,154 | 4,384,650 | 267,051 | 41,728 | (618,113) | 180,695 | 4,245,413 | 0.000822 |

EL PASO ELECTRIC COMPANY
EPEL Rate Calculation for
2016 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December

| Line No. | Applicable Rate | Rate Class | Change in Projected Metered kWh | Change in Proposed Program Budget | Change in Energy Efficiency Bonus | Change in EECRF Processing Expenses | Change in (Over)/Under Recovery | Change in EEMV Expenses | Change in Total Energy Efficiency Costs to be Recovered | Change in EECRF Rate |
|----------|-----------------|--------------------------------------|---------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|---------------------------------|-------------------------|---|----------------------|
| 1 | 01 | Residential Service | 42,015,744 | 1,737 | 628,566 | 14,234 | 275,439 | (21,713) | 886,283 | 0.000412 |
| 2 | 02 | Small Commercial Service | (7,745,281) | 935 | 161,163 | 3,730 | 38,035 | (6,849) | 197,015 | 0.000851 |
| 3 | 07 | Outdoor Recreational Lighting | (168,100) | 73 | - | - | 239 | - | 312 | 0.000066 |
| 4 | 08 | Governmental Street Lighting Service | 241,222 | 167 | - | - | 308 | - | 475 | 0.000012 |
| 5 | 11 | Municipal Pumping Service | 8,942,517 | 39,413 | - | - | 43,105 | - | 82,518 | 0.000435 |
| 6 | 15 | Electricity Refueling Service | - | - | - | - | - | - | - | - |
| 7 | 21 | Water Heating Service | (4,614,391) | - | - | - | 9,896 | - | 9,896 | 0.000426 |
| 8 | 22 | Irrigation Service | 1,286,009 | 1,913 | - | - | 462 | - | 2,375 | 0.000318 |
| 9 | 24 | General Service | (84,074,788) | (45,299) | 476,324 | 11,290 | (223,530) | (48,588) | 169,898 | 0.000748 |
| 10 | 25 | Large Power Service - Sec. Pk. | (20,840,685) | (30,686) | 259,977 | 6,141 | 167,941 | (3,807) | 419,486 | 0.000649 |
| 11 | 25T | Large Power Service - Trans. | - | - | - | - | - | - | - | - |
| 12 | 26 | Petroleum Refining Service | - | - | - | - | - | - | - | - |
| 13 | 28 | Private Area Lighting | - | - | - | - | - | - | - | - |
| 14 | 30 | Electric Furnace Service | - | - | - | - | - | - | - | - |
| 15 | 31 | Military Reservation Service | (1,444,726) | (7,409) | - | - | (6,036) | - | (6,776) | (0.0003175) |
| 16 | 34 | Cotton Gin Service | - | - | - | - | - | - | - | - |
| 17 | 38 | Interruptible Service | - | - | - | - | - | - | - | - |
| 18 | 41 | City / County Service | (15,425,190) | 32,447 | 225,701 | 7,167 | 375,525 | (18) | 670,813 | 0.002283 |
| 19 | 43 | University Service (a) | - | - | - | - | - | - | - | - |
| 20 | 46/47 | Cogeneration (b) | - | - | - | - | - | - | - | - |
| 21 | | Texas Total | \$ -1,650,686 | \$ 0 | \$ 1,778,732 | \$ 42,582 | \$ 700,985 | \$ (60,973) | \$ 2,441,298 | 0.000463 |
| 1 | 01 | Residential Service | 2.0% | 0.1% | 493.6% | 65.3% | -121.0% | -40.5% | 58.4% | 55.1% |
| 2 | 02 | Small Commercial Service | -3.0% | 0.6% | 696.7% | 87.0% | 12.7% | -41.5% | 38.7% | 43.0% |
| 3 | 07 | Outdoor Recreational Lighting | -3.1% | 3.2% | - | - | -26.1% | - | 23.1% | 26.7% |
| 4 | 08 | Governmental Street Lighting Service | 0.6% | 5.6% | - | - | -5.9% | - | -20.5% | -20.7% |
| 5 | 11 | Municipal Pumping Service | 5.1% | 22.5% | - | - | -31.6% | - | 214.3% | 199.5% |
| 6 | 15 | Electricity Refueling Service | - | - | - | - | - | - | - | - |
| 7 | 21 | Water Heating Service | -25.2% | - | - | - | -61.4% | - | -61.4% | -48.4% |
| 8 | 22 | Irrigation Service | 30.7% | 50.5% | - | - | -28.1% | - | 110.7% | 61.0% |
| 9 | 24 | General Service | -5.3% | -2.9% | 644.1% | 89.5% | 32.4% | -61.9% | 16.8% | 23.0% |
| 10 | 25 | Large Power Service - Sec. Pk. | -2.9% | -4.6% | 3553.5% | 126.7% | 363.8% | -49.3% | 57.0% | 61.8% |
| 11 | 25T | Large Power Service - Trans. | - | - | - | - | - | - | - | - |
| 12 | 26 | Petroleum Refining Service | - | - | - | - | - | - | - | - |
| 13 | 28 | Private Area Lighting | - | - | - | - | - | - | - | - |
| 14 | 30 | Electric Furnace Service | - | - | - | - | - | - | - | - |
| 15 | 31 | Military Reservation Service | - | - | - | - | - | - | - | - |
| 16 | 34 | Cotton Gin Service | - | - | - | - | - | - | - | - |
| 17 | 38 | Interruptible Service | -61.2% | -57.6% | - | - | -118.7% | - | -107.1% | -118.4% |
| 18 | 41 | City / County Service | -4.6% | 12.7% | 1000.2% | 162.5% | 356.3% | -0.1% | 161.9% | 175.2% |
| 19 | 43 | University Service (a) | - | - | - | - | - | - | - | - |
| 20 | 46/47 | Cogeneration (b) | - | - | - | - | - | - | - | - |
| 21 | | Texas Total | -1.6% | 0.0% | 87.4% | 50.9% | 645.8% | -81.2% | 36.5% | 60.0% |

EL PASO ELECTRIC COMPANY
EPET's Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December

| Line No. | Applicable Rate | Rate Class | Change in Projected Metered kWh | Change in Proposed Program Budget | Change in Energy Efficiency Bonus | Change in EECRF Processing Expenses | Change in (Over)/Under Recovery | Change in EMAX Expenses | Change in Total Energy Efficiency Costs to be Recovered |
|----------|-----------------|---|---------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|---------------------------------|-------------------------|---|
| 1 | 01 | 01 Residential Service | | 0.2% | 69.9% | 1.6% | 30.6% | -2.4% | 100.0% |
| 2 | 02 | 02 Small Commercial Service | | 0.5% | 81.8% | 1.9% | 19.3% | -3.5% | 100.0% |
| 3 | 07 | 07 Outdoor Recreational Lighting | | 23.4% | 0.0% | 0.0% | 76.6% | 0.0% | 100.0% |
| 4 | 08 | 08 Governmental Street Lighting Service | | 35.1% | 0.0% | 0.0% | 64.9% | 0.0% | 100.0% |
| 5 | 11 | 11 Municipal Pumping Service | | 47.8% | 0.0% | 0.0% | 52.2% | 0.0% | 100.0% |
| 6 | 15 | 15 Electropic Refining Service | | | | | | | |
| 7 | 21 | 21 Water Heating Service | | 0.0% | 0.0% | 0.0% | 100.0% | 0.0% | 100.0% |
| 8 | 22 | 22 Irrigation Service | | 80.5% | 0.0% | 0.0% | 19.5% | 0.0% | 100.0% |
| 9 | 24 | 24 General Service | | -26.7% | 280.4% | 6.6% | -131.7% | -28.6% | 100.0% |
| 10 | 25 | 25 Large Power Service - Sec. Ph. | | -7.3% | 92.0% | 1.5% | 44.8% | -0.5% | 100.0% |
| 11 | 25T | 25T Large Power Service - Trans. | | | | | | | |
| 12 | 26 | 26 Petroleum Refining Service | | | | | | | |
| 13 | 28 | 28 Private Area Lighting | | | | | | | |
| 14 | 30 | 30 Electric Furnace Service | | | | | | | |
| 15 | 31 | 31 Military Reservation Service | | | | | | | |
| 16 | 34 | 34 Cotton Gin Service | | | | | | | |
| 17 | 38 | 38 Interruptible Service | | 10.9% | 0.0% | 0.0% | 89.1% | 0.0% | 100.0% |
| 18 | 41 | 41 City / County Service | | 4.8% | 38.1% | 1.1% | 56.0% | 0.0% | 100.0% |
| 19 | 43 | 43 University Service (a) | | | | | | | |
| 20 | 4647 | 4647 Cogeneration (b) | | | | | | | |
| 21 | | Texas Total | | 0.0% | 72.9% | 1.7% | 28.7% | -3.3% | 100.0% |

(a) Rates combined with Rate 25 - Large Power Service - Sec. Ph. in accordance with P.U.C. Substat. Rule 25.181.(1).(2)
(b) Rates combined with Rate 34 - Cotton Gin Service in accordance with P.U.C. Substat. Rule 25.181.(1).(2)

EL PASO ELECTRIC COMPANY
2015 Regulatory Cap Calculation
Applicable January through December 2015

| Line No. | Rate | Applicable Rate | Rate Class | 2015 Projected Metered kWh | 2015 Proposed Program Budget | 2013 Efficiency Bonus | 2013 (Over)/Under Recovery | 2013 EE Costs Subject to Cap (c) | EECRF Subject to Cap | Regulatory Energy Efficiency Cap | Percent of Cap | | | | | | | | | | | | | | | | | | | | | | | | |
|---|----------------------------------|----------------------------|---|----------------------------|----------------------------------|-----------------------|----------------------------|----------------------------------|----------------------|----------------------------------|----------------|----------------------------------|--|----------------------------|---|----------------------|----------------------------------|-------------|--------------------------|---------------|--------------|-------------|-------------|-------------|-------------------------|---------------|--------------|------------------------------|-------------|-------|-------|---------------|--------------|--|--|
| 1 | 01 | 01 | Residential Service | 2,093,851,457 | 1,566,570 | \$ 752,304 | \$ 47,817 | 2,366,691 | \$ 0.001130 | \$ 0.001235 | 92% | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | 02 | 02 | Small Commercial Service | 249,670,858 | 167,523 | 184,297 | 337,406 | 689,226 | 0.002761 | 0.000772 | 358% | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | 07 | 07 | Outdoor Recreational Lighting | 5,313,362 | 2,342 | - | (678) | 1,664 | 0.000313 | 0.000772 | 41% | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | 08 | 08 | Governmental Street Lighting Service | 40,156,433 | 3,031 | - | (4,875) | (1,843) | (0.000046) | 0.000772 | -6% | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | 11 | 11 | Municipal Pumping Service | 185,351,046 | 214,405 | - | (93,382) | 121,023 | 0.000653 | 0.000772 | 85% | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | 15 | 15 | Electrolytic Refining Service | - | - | - | - | - | - | 0.000772 | 0% | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | 21 | 21 | Water Heating Service (e) | 13,718,962 | - | - | (6,234) | (6,234) | (0.000454) | 0.000772 | -59% | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | 22 | 22 | Irrigation Service | 5,388,993 | 5,702 | - | (1,180) | 4,521 | 0.000839 | 0.000772 | 109% | | | | | | | | | | | | | | | | | | | | | | | | |
| 9 | 24 | 24 | General Service | 1,504,334,466 | 1,504,369 | 550,623 | (915,411) | 1,139,581 | 0.000758 | 0.000772 | 98% | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 | 25 | 25 | Large Power Service - Sec. Pri. | 679,131,244 | 633,199 | 267,293 | 239,472 | 1,139,965 | 0.001679 | 0.000772 | 217% | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | 25T | 25T | Large Power Service- Trans. | - | - | - | - | - | 0.000772 | 0.000772 | 0% | | | | | | | | | | | | | | | | | | | | | | | | |
| 12 | 26 | 26 | Petroleum Refining Service | - | - | - | - | - | - | 0.000772 | 0% | | | | | | | | | | | | | | | | | | | | | | | | |
| 13 | 28 | 28 | Private Area Lighting | - | - | - | - | - | - | 0.000772 | 0% | | | | | | | | | | | | | | | | | | | | | | | | |
| 14 | 30 | 30 | Electric Furnace Service | - | - | - | - | - | - | 0.000772 | 0% | | | | | | | | | | | | | | | | | | | | | | | | |
| 15 | 31 | 31 | Military Reservation Service | - | - | - | - | - | - | 0.000772 | 0% | | | | | | | | | | | | | | | | | | | | | | | | |
| 16 | 34 | 34 | Cotton Gin Service | 914,030 | 544 | - | (995) | (452) | (0.000494) | 0.000772 | -64% | | | | | | | | | | | | | | | | | | | | | | | | |
| 17 | 38 | 38 | Interruptible Service | - | - | - | - | - | - | 0.000772 | 0% | | | | | | | | | | | | | | | | | | | | | | | | |
| 18 | 41 | 41 | City / County Service | 305,220,635 | 286,964 | 281,266 | 480,932 | 1,049,163 | 0.003437 | 0.000772 | 445% | | | | | | | | | | | | | | | | | | | | | | | | |
| 19 | 43 | 43 | University Service (a) | - | - | - | - | - | - | 0.000772 | 0% | | | | | | | | | | | | | | | | | | | | | | | | |
| 20 | 46/47 | 46/47 | Cogeneration (b) | - | - | - | - | - | - | 0.000772 | 0% | | | | | | | | | | | | | | | | | | | | | | | | |
| 21 | | | Texas Total | 5,083,051,486 | 4,384,650 | \$ 2,035,783 | \$ 82,872 | \$ 6,503,305 | \$ 0.001279 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table><tr><th colspan="2">Group</th><th>2015 Projected Metered kWh</th><th>Total EE Costs to be Recovered Subject to Cap</th><th>EECRF Subject to Cap</th><th>Regulatory Energy Efficiency Cap</th></tr><tr><td>22</td><td>Total Residential Energy</td><td>2,107,014,249</td><td>\$ 2,360,710</td><td>\$ 0.001120</td><td>\$ 0.001235</td></tr><tr><td>23</td><td>Total Commercial Energy</td><td>2,976,037,238</td><td>\$ 4,142,596</td><td>\$ 0.001392</td><td>\$ 0.000772</td></tr><tr><td>24</td><td>Total</td><td>5,083,051,486</td><td>\$ 6,503,305</td><td></td><td></td></tr></table> | | | | | | | | | | | | Group | | 2015 Projected Metered kWh | Total EE Costs to be Recovered Subject to Cap | EECRF Subject to Cap | Regulatory Energy Efficiency Cap | 22 | Total Residential Energy | 2,107,014,249 | \$ 2,360,710 | \$ 0.001120 | \$ 0.001235 | 23 | Total Commercial Energy | 2,976,037,238 | \$ 4,142,596 | \$ 0.001392 | \$ 0.000772 | 24 | Total | 5,083,051,486 | \$ 6,503,305 | | |
| Group | | 2015 Projected Metered kWh | Total EE Costs to be Recovered Subject to Cap | EECRF Subject to Cap | Regulatory Energy Efficiency Cap | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 22 | Total Residential Energy | 2,107,014,249 | \$ 2,360,710 | \$ 0.001120 | \$ 0.001235 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 23 | Total Commercial Energy | 2,976,037,238 | \$ 4,142,596 | \$ 0.001392 | \$ 0.000772 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 24 | Total | 5,083,051,486 | \$ 6,503,305 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 25 | Residential Water Heating Energy | | 0.959459798 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 26 | Commercial Water Heating Energy | | 0.040540202 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table><tr><th colspan="2">Regulatory Energy Efficiency Cap</th><th>2013</th><th>2014</th><th>2015</th></tr><tr><td>27</td><td>Residential</td><td>\$ 0.001200</td><td>\$ 0.001218</td><td>\$ 0.001235</td></tr><tr><td>28</td><td>Commercial</td><td>\$ 0.000750</td><td>\$ 0.000761</td><td>\$ 0.000772</td></tr><tr><td>29</td><td>Urban CPI - South Region (d)</td><td>1.50%</td><td>1.50%</td><td>1.40%</td></tr></table> | | | | | | | | | | | | Regulatory Energy Efficiency Cap | | 2013 | 2014 | 2015 | 27 | Residential | \$ 0.001200 | \$ 0.001218 | \$ 0.001235 | 28 | Commercial | \$ 0.000750 | \$ 0.000761 | \$ 0.000772 | 29 | Urban CPI - South Region (d) | 1.50% | 1.50% | 1.40% | | | | |
| Regulatory Energy Efficiency Cap | | 2013 | 2014 | 2015 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 27 | Residential | \$ 0.001200 | \$ 0.001218 | \$ 0.001235 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28 | Commercial | \$ 0.000750 | \$ 0.000761 | \$ 0.000772 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 29 | Urban CPI - South Region (d) | 1.50% | 1.50% | 1.40% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (a) Rates combined with Rate 25 - Large Power Service - Sec. Pri. in accordance with P.U.C. Subst. Rule 25.181.(f).(2) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (b) Rates combined with Rate 34 - Cotton Gin Service in accordance with P.U.C. Subst. Rule 25.181.(f).(2) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (c) 2014 Energy Efficiency Program Costs Subject to Cap are total EECRF costs excluding EM&V costs and municipal EECRF proceeding costs. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (d) Bureau of Labor Statistics - Table 4, South Urban Region, CPI-U, all items index, not seasonally adjusted. Based on twelve month change to March 2014 from March 2013. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (e) Water Heating Programs costs allocated to Residential and Commercial groups based on energy percentage to each group | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

- (a) Rates combined with Rate 25 - Large Power Service - Sec. Pri. in accordance with P.U.C. Subst. Rule 25.181.(f).(2)
 (b) Rates combined with Rate 34 - Cotton Gin Service in accordance with P.U.C. Subst. Rule 25.181.(f).(2)
 (c) 2014 Energy Efficiency Program Costs Subject to Cap are total EECRF costs excluding EM&V costs and municipal EECRF proceeding costs.
 (d) Bureau of Labor Statistics - Table 4. South Urban Region, CPI-U, all items index, not seasonally adjusted. Based on twelve month change to March 2014 from March 2013.
 (e) Water Heating Programs costs allocated to Residential and Commercial groups based on energy percentage to each group

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Total Program Costs January through December 2013

Total Program Costs by Rate (Excluding EM&V):

| Row Labels | EX-101 | EX-102 | EX-103 | EX-104 | EX-105 | EX-106 | EX-107 | EX-108 | EX-109 | EX-110 | EX-111 | EX-112 | EX-113 | EX-114 | EX-115 | EX-116 | EX-117 | EX-118 | EX-119 | EX-120 |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Sum of Total | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) | (n) | (o) | (p) | (q) | (r) | (s) | (t) |
| Large C&I SOP | - | 3,443.92 | 84,414.06 | - | - | - | 141,504.15 | - | - | - | - | - | - | - | - | - | - | - | - | 229,362.13 |
| Small Commercial Solutions | - | 238,612.91 | 229,626.17 | 304.71 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 468,696.14 |
| Large Commercial Solutions | - | 131,989.38 | 640,503.14 | 948.81 | - | - | 57,583.26 | - | - | - | - | - | - | - | - | - | - | - | - | 884,256.81 |
| SCORE | - | 7,324.22 | 64,950.67 | - | - | - | 324,318.28 | - | - | - | - | - | - | - | - | - | - | - | - | 444,312.25 |
| Load Management | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 469,796.03 |
| Commercial Rebates | - | 5,039.56 | 120,779.82 | - | - | - | 77,862.06 | - | - | - | - | - | - | - | - | - | - | - | - | 205,324.67 |
| Residential Solutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 191,916.51 |
| Living Wise | - | 350,056.15 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 350,056.15 |
| Appliance Recycling | - | 251,358.36 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 251,358.36 |
| Solar Photo-Voltaic | - | 203,220.28 | 7,432.64 | 34,537.62 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 251,013.72 |
| Low Income Solutions | - | 605,841.56 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 605,841.56 |
| Grand Total | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 |

Total Incentives Paid:

| Row Labels | EX-101 | EX-102 | EX-103 | EX-104 | EX-105 | EX-106 | EX-107 | EX-108 | EX-109 | EX-110 | EX-111 | EX-112 | EX-113 | EX-114 | EX-115 | EX-116 | EX-117 | EX-118 | EX-119 | EX-120 |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Large C&I SOP | - | 3,067.84 | 75,167.30 | - | - | - | 126,000.00 | - | - | - | - | - | - | - | - | - | - | - | - | 204,234.94 |
| Small Commercial Solutions | - | 235,094.62 | 226,080.84 | 300.00 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 461,625.46 |
| Large Commercial Solutions | - | 130,261.23 | 631,862.34 | 936.00 | - | - | 57,235.18 | - | - | - | - | - | - | - | - | - | - | - | - | 872,385.15 |
| SCORE | - | 7,266.40 | 64,433.35 | - | - | - | 321,677.85 | - | - | - | - | - | - | - | - | - | - | - | - | 440,716.00 |
| Load Management | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 464,700.00 |
| Commercial Rebates | - | 4,920.00 | 119,070.00 | - | - | - | 76,760.00 | - | - | - | - | - | - | - | - | - | - | - | - | 202,370.00 |
| Residential Solutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 180,005.98 |
| Living Wise | - | 346,259.52 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 346,259.52 |
| Appliance Recycling | - | 241,747.00 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 241,747.00 |
| Solar Photo-Voltaic | - | 201,015.60 | 6,310.00 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 213,085.50 |
| Low Income Solutions | - | 600,238.09 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 600,238.09 |
| Grand Total | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 | 1,602,427.48 |

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Total Program Costs January through December 2013

| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (m) |
|--|-----|----------|-----------|-----------|----------|----------|-----------|----------|-------|-------|-----|-----------|
| Total Administration, R&D, and Promotion: | | | | | | | | | | | | |
| Large C&I SOP | | 376.28 | 9,246.76 | | | | 15,504.15 | | | | | 25,127.19 |
| Small Commercial Solutions | | 3,518.29 | 3,545.33 | 4.71 | | | | | | | | 7,070.66 |
| Large Commercial Solutions | | 1,708.15 | 8,650.80 | 12.81 | 1,138.15 | | 348.08 | | | | | 11,871.66 |
| SCORE | | 57.82 | 517.32 | | 258.51 | | 2,640.43 | | | 13.67 | | 3,596.25 |
| Load Management | | | | | 5,096.03 | | | | | | | 5,096.03 |
| Commercial Rebates | | | | | 23.23 | | 1,102.06 | | | | | 2,954.67 |
| Residential Solutions | | 119.56 | 1,709.82 | | | | | | | | | 1,910.53 |
| Living Wise | | 1,910.53 | | | | | | | | | | 3,796.63 |
| Appliance Recycling | | 3,796.63 | | | | | | | | | | 9,611.36 |
| Solar Photo-Voltaic | | 9,611.36 | | | | | | | | | | 2,204.78 |
| Low Income Solutions | | 2,204.78 | 34,537.62 | | | | | | | | | 5,603.47 |
| Grand Total | | 5,603.47 | 6,902.74 | 38,701.45 | 4,497.49 | 6,818.02 | 3,854.22 | 4,420.00 | 13.67 | 63.18 | | 37,928.22 |

Total E M & V:

| | | | | | | | | | | | | |
|----------------------------|--|----------|-----------|-------|----------|--|-----------|--|--|--------|--|-----------|
| Large C&I SOP | | 240.04 | 5,888.95 | | | | 9,873.60 | | | | | 16,002.59 |
| Small Commercial Solutions | | 6,380.69 | 6,135.45 | 8.14 | | | | | | | | 12,528.35 |
| Large Commercial Solutions | | 3,520.91 | 17,080.60 | 26.30 | 2,928.98 | | | | | | | 23,582.78 |
| SCORE | | 231.04 | 2,047.13 | | 1,021.60 | | 10,220.26 | | | 26.99 | | 14,002.27 |
| Load Management | | | | | 1,789.76 | | | | | | | 1,789.76 |
| Commercial Rebates | | 153.50 | 3,716.81 | | 50.53 | | 2,395.97 | | | | | 6,316.81 |
| Residential Solutions | | | | | | | | | | | | 6,316.81 |
| Living Wise | | 6,316.81 | | | | | | | | | | 5,284.01 |
| Appliance Recycling | | 5,284.01 | | | | | | | | | | 5,895.89 |
| Solar Photo-Voltaic | | 5,895.89 | | | | | | | | | | 6,108.25 |
| Low Income Solutions | | 6,108.25 | 180.75 | | | | | | | 165.06 | | 7,474.90 |
| Grand Total | | 7,474.90 | | | | | | | | | | 7,474.90 |

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Projected Energy Efficiency Costs
January 1 - December 31, 2015

| Line No. | (a) Program | (b) Proposed 2015 (a) | (c) Incentives | (d) Administration and R&D |
|----------|--------------------------------|--------------------------|---------------------|-------------------------------|
| 1 | Commercial SOP | \$ 280,000 | \$ 252,000 | \$ 28,000 |
| 2 | Small Commercial Solutions MTP | 461,115 | 461,115 | - |
| 3 | Large C&I Solutions MTP | 895,396 | 895,396 | - |
| 4 | Texas SCORE MTP | 415,569 | 415,569 | - |
| 5 | Load Management SOP | 460,000 | 460,000 | - |
| 6 | Commercial Rebate Pilot MTP | 105,550 | 95,000 | 10,550 |
| 7 | Residential Solutions MTP | 190,000 | 190,000 | - |
| 8 | Living Wise MTP | 346,346 | 346,346 | - |
| 9 | Appliance Recycling MTP | 289,125 | 289,125 | - |
| 10 | PV/Solar Pilot MTP | 250,000 | 212,500 | 37,500 |
| 11 | Hard To Reach Solutions MTP | 600,000 | 600,000 | - |
| 12 | Administration Expenses | 91,549 | - | 91,549 |
| 13 | Total | \$ 4,384,650 | \$ 4,217,051 | \$ 167,599 |

(a) Projected 2015 Energy Efficiency Costs Based on 2014 Energy Efficiency Plan and Report, Table 6, page 18.

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2015

| Line No. | Prog. No. | 2015 | Incentives | Admin & R&D | Total Budget |
|----------|-----------|---------------------------------------|--------------------|------------------|--------------------|
| 1 | | Commercial | \$2,579,080 | \$38,550 | \$2,617,630 |
| 2 | 1 | Commercial SOP | \$252,000 | \$28,000 | \$280,000 |
| 3 | 2 | Small Commercial Solutions MTP | \$461,115 | \$0 | \$461,115 |
| 4 | 3 | Large C&I Solutions MTP | \$895,396 | \$0 | \$895,396 |
| 5 | 4 | Texas SCORE MTP | \$415,569 | \$0 | \$415,569 |
| 6 | 5 | Load Management SOP | \$460,000 | \$0 | \$460,000 |
| 7 | 6 | Commercial Rebate Pilot Program | \$95,000 | \$10,550 | \$105,550 |
| 8 | | Residential | \$536,346 | \$0 | \$536,346 |
| 9 | 7 | Residential Solutions MTP | \$190,000 | \$0 | \$190,000 |
| 10 | 8 | LivingWise® MTP | \$346,346 | \$0 | \$346,346 |
| 11 | 9 | Hard-to-Reach | \$600,000 | \$0 | \$600,000 |
| 12 | 9 | Hard-to-Reach Solutions MTP | \$600,000 | \$0 | \$600,000 |
| 13 | | Residential / Commercial | \$501,625 | \$37,500 | \$539,125 |
| 14 | 10 | Appliance Recycling MTP | \$289,125 | \$0 | \$289,125 |
| 15 | 11 | Solar PV Pilot MTP | \$212,500 | \$37,500 | \$250,000 |
| 16 | | Administration | | \$91,549 | \$91,549 |
| 17 | | Subtotal Budgets | \$4,217,051 | \$167,599 | \$4,384,650 |
| 18 | | EM&V Program Year Expenses | | \$57,835 | \$57,835 |
| 19 | | EECRF Proceeding Expenses | | \$85,000 | \$85,000 |
| 20 | | Total Budgets | \$4,217,051 | \$310,434 | \$4,527,485 |

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2015

| Line No. | Rate | App Rate | 2013 Billed Energy | (a) | (b) | (c) | (d) | (e) | (f) |
|----------|-------|----------|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1 | 01 | 01 | 01 - Residential Service Rate | 168,235,594 | 146,104,403 | 116,634,353 | 112,898,887 | 132,668,784 | 200,726,869 |
| 2 | 02 | 02 | 02 - Small Commercial Service | 18,681,398 | 18,792,253 | 15,515,042 | 16,209,889 | 18,254,546 | 22,554,588 |
| 3 | 07 | 07 | 07 - Outdoor Recreational Ligh | 392,586 | 465,030 | 410,852 | 385,765 | 364,642 | 356,306 |
| 4 | 08 | 08 | 08 - Governmental Street Light | 3,937,680 | 3,424,690 | 3,443,415 | 3,089,658 | 2,947,148 | 2,749,607 |
| 5 | 11 | 11 | 11 - Municipal Pumping Service | 2,777,467 | 2,905,453 | 2,758,988 | 3,452,875 | 4,102,061 | 4,610,609 |
| 6 | 11 | 11 | 11 - Time-Of-Use Municipal | 9,414,766 | 9,280,462 | 9,183,230 | 10,954,568 | 13,818,435 | 12,030,117 |
| 7 | 21 | 21 | WH - Water Heating | 1,783,422 | 1,711,857 | 1,374,928 | 1,217,843 | 1,137,126 | 948,693 |
| 8 | 22 | 22 | 22 - Irrigation Service Rate | 143,124 | 186,603 | 306,745 | 519,920 | 551,063 | 672,529 |
| 9 | 24 | 24 | 24 - General Service Rate | 108,407,431 | 109,333,239 | 97,571,711 | 107,253,450 | 121,197,293 | 142,759,103 |
| 10 | 25 | 25 | 25 - Large Power Service Rate | 44,390,994 | 44,993,976 | 44,157,748 | 49,449,870 | 47,474,884 | 53,788,377 |
| 11 | 34 | 34 | 34 - Cotton Gin Service Rate | 61,442 | 8,931 | 14,175 | 8,940 | 7,540 | 6,262 |
| 12 | 41 | 41 | 41 - City and County Service R | 22,878,988 | 24,322,263 | 20,157,104 | 24,743,568 | 26,984,586 | 26,707,996 |
| 13 | 43 | 25 | 43 - University Service Rate | 4,630,086 | 4,906,577 | 4,435,688 | 5,021,978 | 4,833,190 | 5,290,871 |
| 14 | 46/47 | 34 | Cogeneration | 25,600 | 18,400 | 14,800 | 19,200 | 13,200 | 32,800 |
| 15 | Total | | | 385,760,579 | 366,462,137 | 315,978,779 | 335,226,411 | 374,354,498 | 473,234,727 |

| Line No. | Rate | App Rate | 2013 EECRF Revenue | 1 | 2 | 3 | 4 | 5 | 6 |
|----------|-------|----------|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1 | 01 | 01 | 01 - Residential Service Rate | \$83,043.29 | \$81,107.16 | \$64,686.01 | \$62,661.87 | \$73,278.77 | \$110,780.58 |
| 2 | 02 | 02 | 02 - Small Commercial Service | \$35,572.96 | \$35,855.58 | \$29,600.77 | \$31,023.48 | \$34,810.05 | \$42,990.55 |
| 3 | 07 | 07 | 07 - Outdoor Recreational Ligh | \$28.59 | \$31.10 | \$27.56 | \$26.85 | \$24.35 | \$23.82 |
| 4 | 08 | 08 | 08 - Governmental Street Light | \$82.59 | \$71.84 | \$72.22 | \$64.78 | \$61.83 | \$57.64 |
| 5 | 11 | 11 | 11 - Municipal Pumping Service | \$898.56 | \$740.89 | \$703.60 | \$880.54 | \$1,046.04 | \$1,175.72 |
| 6 | 11 | 11 | 11 - Time-Of-Use Municipal | \$2,520.81 | \$2,586.24 | \$2,341.67 | \$2,793.47 | \$3,523.70 | \$3,067.68 |
| 7 | 21 | 21 | WH - Water Heating | (\$1,431.01) | (\$1,381.77) | (\$1,108.45) | (\$981.17) | (\$918.46) | (\$764.16) |
| 8 | 22 | 22 | 22 - Irrigation Service Rate | \$10.79 | \$14.05 | \$39.67 | \$35.31 | \$37.46 | \$45.71 |
| 9 | 24 | 24 | 24 - General Service Rate | \$159,082.41 | \$160,062.72 | \$142,885.33 | \$157,018.79 | \$177,432.47 | \$208,980.44 |
| 10 | 25 | 25 | 25 - Large Power Service Rate | \$67,829.43 | \$68,750.82 | \$67,473.03 | \$75,559.41 | \$72,541.64 | \$82,168.62 |
| 11 | 34 | 34 | 34 - Cotton Gin Service Rate | (\$11.55) | (\$1.66) | (\$2.66) | (\$1.66) | \$11.09 | \$9.17 |
| 12 | 41 | 41 | 41 - City and County Service R | \$50,581.53 | \$53,967.52 | \$44,728.62 | \$54,906.06 | \$59,878.87 | \$59,265.00 |
| 13 | 43 | 25 | 43 - University Service Rate | \$1,523.29 | \$1,614.27 | \$1,459.35 | \$1,652.23 | \$1,580.12 | \$1,740.70 |
| 14 | 46/47 | 34 | Cogeneration | \$2.58 | \$1.65 | \$1.48 | \$1.94 | \$1.33 | \$3.31 |
| 15 | Total | | | \$409,724.27 | \$403,420.39 | \$352,887.23 | \$385,670.88 | \$423,319.26 | \$509,574.78 |

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2015

| Line No. | Rate | App Rate | 2013 Billed Energy | (g) | (h) | (i) | (j) | (k) | (l) | (m) |
|----------|-------|----------|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|
| 1 | 01 | 01 | 01 - Residential Service Rate | 237,544,471 | 236,341,329 | 217,483,051 | 147,949,267 | 122,984,822 | 135,646,532 | 2013 Total |
| 2 | 02 | 02 | 02 - Small Commercial Service | 25,895,735 | 26,793,556 | 24,604,666 | 19,983,473 | 17,692,803 | 17,224,372 | 1,977,218,362 |
| 3 | 07 | 07 | 07 - Outdoor Recreational Light | 357,778 | 374,017 | 399,098 | 544,997 | 592,548 | 438,896 | 242,202,322 |
| 4 | 08 | 08 | 08 - Governmental Street Light | 2,845,573 | 3,241,009 | 3,261,677 | 3,635,013 | 3,757,195 | 4,022,419 | 5,082,515 |
| 5 | 11 | 11 | 11 - Municipal Pumping Service | 5,324,443 | 4,050,620 | 3,956,104 | 3,590,094 | 3,006,236 | 2,366,468 | 40,355,084 |
| 6 | 11 | 11 | 11 - Time-Of-Use Municipal | 9,758,520 | 15,598,675 | 12,508,434 | 12,638,821 | 10,509,961 | 8,935,443 | 42,900,418 |
| 7 | 21 | 21 | WH - Water Heating | 810,298 | 832,361 | 828,492 | 834,852 | 1,040,624 | 1,199,982 | 134,641,432 |
| 8 | 22 | 22 | 22 - Irrigation Service Rate | 646,712 | 606,182 | 572,717 | 483,579 | 387,022 | 158,963 | 13,718,478 |
| 9 | 24 | 24 | 24 - General Service Rate | 152,196,196 | 155,678,849 | 146,566,967 | 126,784,612 | 112,332,059 | 103,203,614 | 5,235,159 |
| 10 | 25 | 25 | 25 - Large Power Service Rate | 58,539,150 | 56,424,077 | 58,903,934 | 51,703,229 | 44,830,062 | 47,123,940 | 1,483,284,524 |
| 11 | 34 | 34 | 34 - Cotton Gin Service Rate | 5,378 | 4,873 | 5,576 | 8,645 | 185,020 | 372,390 | 599,780,241 |
| 12 | 41 | 41 | 41 - City and County Service R | 26,256,916 | 30,196,293 | 32,324,100 | 27,078,244 | 22,939,333 | 21,778,004 | 688,172 |
| 13 | 43 | 43 | 43 - University Service Rate | 5,936,701 | 5,889,005 | 5,753,233 | 5,528,763 | 5,191,745 | 4,755,331 | 306,367,395 |
| 14 | 46/47 | 34 | Cogeneration | 32,800 | (14,400) | 9,600 | 16,800 | 37,200 | 5,200 | 62,182,168 |
| 15 | | | Total | 528,150,871 | 538,025,446 | 505,175,649 | 400,780,389 | 345,485,630 | 347,231,554 | 4,913,866,470 |

| Line No. | Rate | App Rate | 2013 EECRF Revenue | 7 | 8 | 9 | 10 | 11 | 12 | 2013 Total |
|----------|-------|----------|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| 1 | 01 | 01 | 01 - Residential Service Rate | \$131,284,54 | \$131,338,89 | \$119,925,46 | \$81,794,37 | \$67,795,02 | \$73,886,99 | \$1,091,611,95 |
| 2 | 02 | 02 | 02 - Small Commercial Service | \$49,387,02 | \$51,093,98 | \$46,921,92 | \$38,105,47 | \$33,739,18 | \$32,847,85 | \$461,948,81 |
| 3 | 07 | 07 | 07 - Outdoor Recreational Light | \$23,99 | \$24,99 | \$26,73 | \$38,46 | \$39,60 | \$29,41 | \$342,44 |
| 4 | 08 | 08 | 08 - Governmental Street Light | \$59,71 | \$67,98 | \$68,47 | \$76,32 | \$78,91 | \$84,41 | \$846,70 |
| 5 | 11 | 11 | 11 - Municipal Pumping Service | \$1,357,78 | \$1,032,88 | \$1,008,79 | \$915,43 | \$766,48 | \$603,53 | \$11,120,24 |
| 6 | 11 | 11 | 11 - Time-Of-Use Municipal | \$2,488,39 | \$3,977,69 | \$3,189,67 | \$3,222,91 | \$2,880,04 | \$2,278,54 | \$34,670,81 |
| 7 | 21 | 21 | WH - Water Heating | (\$660,46) | (\$670,54) | (\$666,10) | (\$672,31) | (\$638,31) | (\$967,07) | (\$11,059,81) |
| 8 | 22 | 22 | 22 - Irrigation Service Rate | \$44,00 | \$41,24 | \$38,99 | \$32,84 | \$26,31 | \$10,82 | \$377,19 |
| 9 | 24 | 24 | 24 - General Service Rate | \$222,804,78 | \$227,913,57 | \$214,574,28 | \$185,615,93 | \$164,455,68 | \$151,089,28 | \$2,171,895,68 |
| 10 | 25 | 25 | 25 - Large Power Service Rate | \$89,447,81 | \$86,215,99 | \$86,949,19 | \$79,002,51 | \$68,500,39 | \$72,005,43 | \$816,464,27 |
| 11 | 34 | 34 | 34 - Cotton Gin Service Rate | \$7,93 | \$7,13 | (\$1,05) | (\$1,62) | (\$34,78) | (\$70,01) | (\$89,71) |
| 12 | 41 | 41 | 41 - City and County Service R | \$58,264,48 | \$67,005,56 | \$71,727,23 | \$80,086,67 | \$50,902,47 | \$48,325,34 | \$679,639,35 |
| 13 | 43 | 43 | 43 - University Service Rate | \$1,953,17 | \$1,940,44 | \$1,892,81 | \$1,818,96 | \$1,708,08 | \$1,564,51 | \$20,457,93 |
| 14 | 46/47 | 34 | Cogeneration | \$3,31 | (\$1,46) | \$0,97 | \$1,170 | \$3,75 | \$0,52 | \$21,09 |
| 15 | | | Total | \$556,446,43 | \$569,988,34 | \$545,657,36 | \$450,035,63 | \$389,822,82 | \$381,689,55 | \$5,378,248,94 |

EL PASO ELECTRIC COMPANY
EPE's Authorized Rate Calculation for
2013 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December

| Rate | Rate Class | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) * | (k) * |
|-------------|-----------------------------------|-------------------------------|--------------------------------|-------------------------------|---|--------------------------------|------------------------------------|--------------------------|----------------------------------|--|--|-----------------------|
| | | 2013 Projected Metered kWh | 2013 Proposed Program Costs | Program Costs Rate per kWh | 2011 Deferred Energy Efficiency Costs | Deferred Costs Rate per kWh | 2011 Energy Efficiency Bonus | Bonus Rate per kWh | 2011 (Over)/Under Recovery | (Over) / Under Recovery Rate per kWh | Total Energy Efficiency Costs to Be Recovered | Total Rate per kWh |
| 01 | Residential Service | 1,953,540,753 | \$ 1,541,528 | \$ 0.00079 | \$ 334,043 | \$ 0.00017 | \$ 99,804 | \$ 0.00005 | \$ (902,635) | \$ (0.00046) | \$ 1,072,740 | \$ 0.000549 |
| 02 | Small Commercial Service | 278,854,779 | 126,271 | 0.00045 | 20,228 | 0.00007 | 55,395 | 0.00020 | 329,757 | 0.00118 | 531,651 | 0.001907 |
| 07 | Outdoor Recreational Lighting | 5,948,601 | 735 | 0.00012 | 694 | 0.00012 | - | - | (1,030) | (0.00017) | 399 | 0.000067 |
| 08 | Municipal Street Lighting Service | 38,062,869 | 4,847 | 0.00013 | 4,441 | 0.00012 | - | - | (8,469) | (0.00022) | 818 | 0.000021 |
| 11 | Municipal Pumping Service (w/TOU) | 169,866,317 | 90,985 | 0.00054 | 41,444 | 0.00024 | - | - | (89,035) | (0.00052) | 43,394 | 0.000255 |
| 15 | Electrolytic Refining Service | - | - | N/A | - | N/A | - | N/A | - | N/A | - | N/A |
| 21 | Water Heating Service | 21,450,525 | - | - | 3,783 | 0.00018 | - | - | (21,077) | (0.00098) | (17,294) | (0.000806) |
| 22 | Irrigation Service | 3,316,967 | 1,029 | 0.00031 | 425 | 0.00013 | - | - | (1,226) | (0.00037) | 225 | 0.000068 |
| 24 | General Service | 1,498,186,825 | 2,113,684 | 0.00141 | 473,807 | 0.00032 | 131,113 | 0.00009 | (525,512) | (0.00035) | 2,193,092 | 0.001464 |
| 25 | Large Power Service - Sec. Pri. | 571,120,539 | 255,393 | 0.00045 | 77,019 | 0.00013 | 186,483 | 0.00033 | 353,565 | 0.00062 | 872,461 | 0.001528 |
| 25T | Large Power Service- Trans. | - | - | N/A | - | N/A | - | N/A | - | N/A | - | N/A |
| 26 | Petroleum Refining Service | - | - | N/A | - | N/A | - | N/A | - | N/A | - | N/A |
| 28 | Private Area Lighting | - | - | N/A | - | N/A | - | N/A | - | N/A | - | N/A |
| 30 | Electric Furnace Service | - | - | N/A | - | N/A | - | N/A | - | N/A | - | N/A |
| 31 | Military Reservation Service | - | - | N/A | - | N/A | - | N/A | - | N/A | - | N/A |
| 34 | Cotton Gin Service | 1,874,697 | 249 | 0.00013 | 240 | 0.00013 | - | - | (842) | (0.00045) | (353) | (0.000188) |
| 38 | Interruptible Service | - | - | N/A | - | N/A | - | N/A | - | N/A | - | N/A |
| 41 | City / County Service | 349,016,607 | 215,137 | 0.00062 | 43,692 | 0.00013 | 68,426 | 0.00020 | 447,186 | 0.00128 | 774,441 | 0.002219 |
| 43 | University Service | 66,950,155 | 34,067 | 0.00051 | 15,700 | 0.00023 | - | - | (27,771) | (0.00041) | 21,995 | 0.000329 |
| 46/47 | Maintenance/Backup Service | 2,612,806 | 726 | 0.00028 | 347 | 0.00013 | - | - | (809) | (0.00031) | 264 | 0.000101 |
| Texas Total | | 4,960,812,440 | \$ 4,384,651 | \$ 0.00088 | \$ 1,015,863 | \$ 0.00020 | \$ 541,221 | \$ 0.00011 | \$ (447,900) | \$ (0.00069) | \$ 5,493,833 | |

* Total Energy Efficiency Costs to be Recovered and EECRF Rate as authorized in Final Order, DN 40343.

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2015

Workpaper JS-6
Page 1 of 3

| Line No. | Rate | Group Rate | Rate Class | 2015 Projected Metered kWh |
|----------|-------|------------|---------------------------------------|----------------------------|
| 1 | 01 | 01 | Residential Service | 2,093,851,457 |
| 2 | 02 | 02 | Small Commercial Service | 249,670,858 |
| 3 | 07 | 07 | Outdoor Recreational Lighting | 5,313,362 |
| 4 | 08 | 08 | Municipal Street Lighting Service | 40,156,433 |
| 5 | 11 | 11 | Municipal Pumping Service | 185,351,046 |
| 6 | 15 | | Electrolytic Refining Service | 57,315,503 |
| 7 | 21 | 21 | Water Heating Service | 13,718,962 |
| 8 | 22 | 22 | Irrigation Service | 5,388,993 |
| 9 | 24 | 24 | General Service | 1,504,334,466 |
| 10 | 25 | 25 | Large Power Service - Sec. Pri. | 616,144,496 |
| 11 | 25T | | Large Power Service- Trans. | 8,699,090 |
| 12 | 26 | | Petroleum Refining Service | 330,259,292 |
| 13 | 28 | | Private Area Lighting | 27,729,395 |
| 14 | 30 | | Electric Furnace Service | 22,845,859 |
| 15 | 31 | | Military Reservation Service | 355,801,097 |
| 16 | 34 | 34 | Cotton Gin Service | 704,830 |
| 17 | 38 | | Interruptible Service | 313,478,210 |
| 18 | 41 | 41 | City / County Service | 305,220,635 |
| 19 | 43 | | University Service | 62,986,748 |
| 20 | 46/47 | | Cogeneration - Maintenance and Backup | 209,200 |
| 21 | | | Texas Total | 6,199,179,931 |

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2015

Workpaper JS-6
Page 2 of 3

| Line No. | Rate | Group Rate | Rate Class | 2015 Projected Metered kWh |
|----------|----------|------------|---|----------------------------|
| 22 | TXRT01 | 1 | Residential | 2,093,851,457 |
| 23 | TXRT02 | 2 | Small Commercial Service | 249,670,858 |
| 24 | TXRT07 | 7 | Outdoor Recreational Lighting | 5,199,117 |
| 25 | TXRT07 | 7 | Outdoor Recreational Lighting - Primary | 114,245 |
| 26 | TXRT08 | 8 | Street Lighting | 34,190,291 |
| 27 | TXRT08A | 8 | LED Street Lighting | 5,966,142 |
| 28 | TXRT11 | 11 | Muni Water Pumping | 41,008,297 |
| 29 | TXRT11 | 11 | Muni Water Pumping - Primary | 1,892,121 |
| 30 | TXRT11TU | 11TOU | Muni Water Pumping TOU | 98,388,721 |
| 31 | TXRT11TU | 11TOU | Muni Water Pumping TOU - Primary | 44,061,907 |
| 33 | TXRTWH | WH | Water Heating | 13,718,962 |
| 34 | TXRT22 | 22 | Irrigation | 5,388,993 |
| 35 | TXRT24 | 24 | General Service | 1,469,938,157 |
| 36 | TXRT24 | 24 | General Service - Primary | 34,396,309 |
| 37 | TXRT25 | 25 | Large Power Service | 513,897,015 |
| 38 | TXRT25 | 25 | Large Power Service - Primary | 96,038,682 |
| 40 | TXRT25A | 25A | Large Power Off-Peak Service - Secondary | - |
| 41 | TXRT25A | 25A | Large Power Off-Peak Service - Primary | 6,208,799 |
| 46 | TXRT34 | 34 | Cotton Gin | 704,830 |
| 49 | TXRT41 | 41 | City and County Service | 254,417,591 |
| 50 | TXRT41 | 41 | City and County Service - Primary | 50,803,044 |
| 51 | TXRT43 | 43 | State University | 5,939,596 |
| 52 | TXRT43 | 43 | State University - Primary | 57,047,152 |
| 54 | TXRT46 | 46 | Cogen Maintenance, Backup & Interruptible | 209,200 |
| | | | | <u>5,083,051,486</u> |

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2015

Workpaper JS-6
Page 3 of 3

| Line No. | Rate | Group Rate | Rate Class | 2015 Projected Metered kWh |
|-------------|--------|---------------|--|-------------------------------|
| 32 | TXRT15 | 15 | Electrolytic Refining | 57,315,503 |
| 39 | TXRT25 | 25 | Large Power Service - Transmission | 8,699,090 |
| 42 | TXRT26 | 26 | Petroleum Refinery | 330,259,292 |
| 43 | TXRT28 | 28 | Area Lighting Service | 27,729,395 |
| 44 | TXRT30 | 30 | Electric Furnace | 22,845,859 |
| 45 | TXRT31 | 31 | M R & D | 355,801,097 |
| 47 | TXRT38 | 38 | Interruptible Large Power Service - Primary | 52,880,545 |
| 48 | TXRT38 | 38 | Interruptible Large Power Service - Transmission | 260,597,665 |
| 53 | TXRT45 | 45 | Cogen Supplemental | 23,124,732 |
| | | | | <u>1,139,253,177</u> |
| | | | | <u>6,222,304,663</u> |

| | | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) | (n) |
|-----------------|----------|--|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|---------------|
| Rate Code | Fuel No. | Rate Type | Rate Code Description | Jan 2015 | Feb 2015 | Mar 2015 | Apr 2015 | May 2015 | Jun 2015 | Jul 2015 | Aug 2015 | Sep 2015 | Oct 2015 | Nov 2015 | Dec 2015 | Total |
| TXRT01 | 1 | S | Residential | 172,109.841 | 142,828.227 | 131,206.327 | 128,678.131 | 138,365.462 | 214,612.211 | 246,598.048 | 243,946.102 | 235,437.387 | 156,491.990 | 131,388.167 | 152,200.563 | 2,093,851.457 |
| TXRT02 | 2 | S | Small Commercial Service | 18,256.040 | 18,260.254 | 16,911.277 | 16,131.639 | 18,544.986 | 23,732.708 | 27,362.272 | 27,282.202 | 26,584.986 | 21,144.452 | 17,280.657 | 18,169.646 | 248,670.858 |
| TXRT07 | 7 | P | Outdoor Recreational Lighting | 403.781 | 469.145 | 461.651 | 371.978 | 371.986 | 373.708 | 359,041 | 370,865 | 397,099 | 519,290 | 596,319 | 492,881 | 5,199,117 |
| TXRT07 | 7 | P | Outdoor Recreational Lighting - Primary | 10.963 | 19.724 | 9.877 | 2,144 | 2,754 | 3,198 | 2,350 | 7,957 | 13,596 | 18,485 | 13,109 | 10,088 | 114,245 |
| TXRT08 | 8 | S | Street Lighting | 3,332.616 | 2,896.163 | 2,911.347 | 2,616.646 | 2,487.354 | 2,334.193 | 2,403.999 | 2,766.874 | 2,765.919 | 3,080.363 | 3,180.211 | 3,402.586 | 34,190.291 |
| TXRT08A | 8 | S | LED Street Lighting | 585.678 | 509.647 | 515.120 | 457.789 | 435.291 | 401.875 | 427.565 | 458.178 | 479.708 | 536.791 | 558.482 | 600.038 | 5,966.142 |
| TXRT11 | 11 | P | Muni Water Pumping | 2,679.514 | 2,820.396 | 2,678.563 | 3,295.281 | 3,945.844 | 4,298.494 | 4,801.182 | 3,888.244 | 3,668.552 | 3,487.201 | 2,932.965 | 2,312.061 | 41,008.297 |
| TXRT11TU | 11TU | P | Muni Water Pumping TOU | 6,870.517 | 6,413.046 | 6,185.148 | 7,369.960 | 10,526.553 | 8,806.158 | 6,184.622 | 11,986.211 | 9,796.724 | 8,478.251 | 6,830.862 | 6,760.671 | 98,388.721 |
| TXRT11TU | 11TU | P | Muni Water Pumping TOU - Primary | 3,377.499 | 3,153.220 | 3,066.341 | 3,393.477 | 4,456.186 | 3,705.487 | 3,707.344 | 4,327.324 | 3,423.349 | 3,678.295 | 4,027.211 | 3,525.174 | 44,061.907 |
| TXRT15 | 15 | T | Electrolytic Refining | 4,153.022 | 4,757.130 | 4,501.535 | 5,099.937 | 4,735.828 | 5,105.987 | 3,768.558 | 5,295.469 | 4,877.178 | 5,434.089 | 4,698.153 | 4,657.335 | 57,151.503 |
| TXRTWH | WH | S | Water Heating | 1,716.609 | 1,577.551 | 1,455.565 | 1,302.765 | 1,116.120 | 955.368 | 797.583 | 804.828 | 844.333 | 833.681 | 1,045.490 | 1,267.051 | 13,718.962 |
| TXRT22 | 22 | S | Irrigation | 158.740 | 196.023 | 281.887 | 530.486 | 544.863 | 766.134 | 617.688 | 691.583 | 689.854 | 445.575 | 383.627 | 173.237 | 5,388.993 |
| TXRT24 | 24 | S | General Service | 101,792.382 | 102,461.794 | 102,492.796 | 102,969.030 | 118,087.134 | 144,552.173 | 154,634.440 | 153,204.495 | 151,692.180 | 125,289.750 | 107,724.213 | 104,867.755 | 1,469,638.157 |
| TXRT24 | 24 | P | General Service - Primary | 2,799.344 | 2,544.616 | 2,133.516 | 2,314.588 | 2,726.582 | 3,350.893 | 3,636.547 | 3,493.627 | 2,765.281 | 2,436.408 | 2,546.592 | 3,436.309 | 2,546.592 |
| TXRT25 | 25 | S | Large Power Service | 36,891.791 | 37,493.421 | 39,131.891 | 41,618.996 | 40,208.223 | 46,977.943 | 50,951.632 | 48,499.701 | 49,852.718 | 44,889.849 | 37,162.640 | 40,218.209 | 513,897.015 |
| TXRT25 | 25 | P | Large Power Service - Primary | 7,514.661 | 7,307.741 | 7,202.432 | 8,011.628 | 7,506.713 | 8,277.335 | 8,101.628 | 8,636.587 | 8,759.019 | 8,245.515 | 7,309.805 | 8,092.574 | 96,038.682 |
| TXRT25A | 25A | S | Large Power Off-Peak Service | 779.524 | 680.632 | 696.674 | 825.568 | 580.977 | 533.416 | 924.310 | 597.179 | 696.183 | 801.778 | 775.887 | 675.781 | 8,689.090 |
| TXRT25A | 25A | P | Large Power Off-Peak Service - Primary | 447.752 | 584.630 | 548.273 | 543.914 | 464.703 | 563.758 | 733.610 | 561.938 | 570.282 | 580.987 | 348.019 | 260.934 | 6,208.769 |
| TXRT26 | 26 | T | Petroleum Refinery | 30,434.785 | 24,075.769 | 21,228.203 | 30,801.441 | 25,691.614 | 28,280.386 | 30,408.010 | 28,828.805 | 28,893.411 | 29,040.517 | 24,852.806 | 27,722.945 | 330,259.282 |
| TXRT28 | 28 | S | Area Lighting Service | 2,628.134 | 2,270.147 | 2,562.573 | 2,078.841 | 1,983.394 | 1,912.782 | 2,001.286 | 2,113.489 | 2,278.858 | 2,516.187 | 2,492.070 | 2,891.624 | 27,728.395 |
| TXRT30 | 30 | T | Electric Furnace | 1,668.660 | 1,847.121 | 1,740.320 | 2,177.167 | 1,800.539 | 1,902.456 | 2,106.879 | 2,087.670 | 1,771.830 | 2,100.032 | 1,795.407 | 1,838.779 | 22,845.859 |
| TXRT31 | 31 | T | M R & D | 26,499.464 | 24,846.163 | 24,164.430 | 28,329.636 | 26,224.327 | 37,024.608 | 37,733.868 | 37,958.035 | 31,486.743 | 29,115.268 | 23,085.638 | 26,304.816 | 395,801.987 |
| TXRT34 | 34 | S | Cotton Gin | 59.780 | 8.646 | 15.392 | 8.923 | 7.563 | 6.574 | 6.571 | 5.022 | 5.967 | 8.261 | 17.782 | 393.215 | 704.830 |
| TXRT38 | 38 | P | Interruptible Large Power Service - Primary | 2,794.834 | 4,232.212 | 4,258.832 | 3,583.955 | 3,674.059 | 6,160.297 | 7,415.251 | 4,557.119 | 4,630.562 | 4,619.696 | 3,788.521 | 3,165.176 | 52,880.545 |
| TXRT38 | 38 | T | Interruptible Large Power Service - Transmission | 22,668.108 | 21,048.108 | 15,119.704 | 24,559.781 | 21,749.724 | 22,342.345 | 23,684.311 | 23,186.949 | 19,837.676 | 23,097.510 | 20,755.433 | 22,448.000 | 290,597.665 |
| TXRT41 | 41 | S | City and County Service | 18,955.174 | 20,765.595 | 18,968.468 | 18,930.418 | 22,569.137 | 22,993.321 | 20,420.140 | 23,415.879 | 27,181.779 | 22,000.270 | 19,113.220 | 19,104.191 | 254,417.591 |
| TXRT41 | 41 | P | City and County Service - Primary | 3,797.337 | 3,834.488 | 3,584.866 | 3,858.721 | 4,084.155 | 4,622.975 | 5,494.306 | 5,048.066 | 5,084.235 | 4,156.606 | 3,500.576 | 3,734.673 | 53,935.696 |
| TXRT43 | 43 | S | State University | 442.832 | 390.427 | 850.886 | 273.626 | 374.210 | 623.581 | 435.031 | 470.532 | 508.930 | 338.830 | 429.981 | 722.661 | 5,805.004 |
| TXRT43 | 43 | P | State University - Primary | 4,133.061 | 4,560.145 | 4,135.061 | 4,608.229 | 4,446.324 | 4,837.927 | 5,352.322 | 5,322.136 | 5,193.265 | 5,038.880 | 4,781.546 | 4,428.206 | 57,047.152 |
| TXRT45 | 45 | P | Cogen Supplemental | 1,465.000 | 1,455.422 | 1,489.051 | 1,686.692 | 1,517.403 | 2,162.765 | 2,536.231 | 2,574.696 | 2,608.074 | 2,103.059 | 1,642.806 | 1,883.534 | 23,124.732 |
| TXRT46 | 46 | P | Cogen Maintenance, Backup & Interruptible | 25.600 | 16.400 | 14.800 | 19.200 | 13.200 | 32.800 | 4.800 | 13.600 | 8.600 | 16.800 | 37.200 | 5.200 | 209.200 |
| Total KWH | | | 482,763.054 | 444,570.277 | 422,643.071 | 446,414.620 | 469,468.964 | 602,549.117 | 655,173.680 | 652,758.514 | 634,253.964 | 511,177.390 | 436,903.580 | 464,928.524 | 6,222,304.663 | 6,222,304.663 |
| Customers | | | | | | | | | | | | | | | | |
| TXRT01 | 1 | Residential | | 272,271 | 272,620 | 272,968 | 273,318 | 273,667 | 274,016 | 274,364 | 274,712 | 275,077 | 275,433 | 275,790 | 276,146 | 3,290,381 |
| TXRT02 | 2 | Small Commercial Service | | 24,537 | 24,572 | 24,608 | 24,643 | 24,678 | 24,713 | 24,748 | 24,787 | 24,826 | 24,864 | 24,904 | 24,942 | 296,822 |
| TXRT07 | 7 | Outdoor Recreational Lighting | | 174 | 175 | 175 | 175 | 175 | 175 | 175 | 175 | 175 | 175 | 175 | 175 | 2,089 |
| TXRT07 | 7 | Outdoor Recreational Lighting - Primary | | 12 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 133 |
| TXRT08 | 8 | Street Lighting | | 148 | 149 | 149 | 148 | 149 | 149 | 149 | 149 | 149 | 149 | 149 | 149 | 1,788 |
| TXRT11 | 11 | Muni Water Pumping | | 263 | 263 | 263 | 263 | 263 | 263 | 263 | 263 | 263 | 263 | 263 | 263 | 3,156 |
| TXRT11 | 11 | Muni Water Pumping - Primary | | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 84 |
| TXRT11TU | 11TU | Muni Water Pumping TOU | | 119 | 119 | 119 | 119 | 119 | 119 | 119 | 119 | 119 | 119 | 118 | 118 | 1,426 |
| TXRT11TU | 11TU | Muni Water Pumping TOU - Primary | | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 120 |
| TXRT15 | 15 | Electrolytic Refining | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 12 |
| TXRTWH | WH | Water Heating | | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 168 |
| TXRT22 | 22 | Irrigation | | 97 | 98 | 98 | 98 | 98 | 98 | 98 | 98 | 98 | 98 | 98 | 98 | 1,178 |
| TXRT24 | 24 | General Service | | 6,988 | 6,979 | 6,989 | 6,999 | 7,009 | 7,019 | 7,028 | 7,039 | 7,052 | 7,063 | 7,074 | 7,085 | 84,304 |
| TXRT24 | 24 | General Service - Primary | | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 480 |
| TXRT25 | 25 | Large Power Service | | 86 | 86 | 86 | 86 | 86 | 86 | 86 | 86 | 87 | 87 | 87 | 88 | 1,037 |
| TXRT25 | 25 | Large Power Service - Primary | | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 216 |
| TXRT25A | 25A | Large Power Off-Peak Service | | - | - | - | - | - | - | - | - | - | - | - | - | 0 |
| TXRT25A | 25A | Large Power Off-Peak Service - Primary | | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 25 |
| TXRT26 | 26 | Petroleum Refinery | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 12 |
| TXRT28 | 28 | Area Lighting Service | | 841 | 841 | 844 | 845 | 845 | 846 | 849 | 850 | 853 | 853 | 854 | 854 | 10,170 |
| TXRT30 | 30 | Electric Furnace | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 12 |
| TXRT31 | 31 | M R & D | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 12 |
| TXRT34 | 34 | Cotton Gin | | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 24 |
| TXRT38 | 38 | Interruptible Large Power Service - Primary | | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 72 |
| TXRT38 | 38 | Interruptible Large Power Service - Transmission | | 904 | 904 | 904 | 904 | 903 | 903 | 903 | 903 | 903 | 903 | 903 | 902 | 10,639 |
| TXRT41 | 41 | City and County Service | | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 324 |
| TXRT41 | 41 | City and County Service - Primary | | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 24 |
| TXRT43 | 43 | State University | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 12 |
| TXRT45 | 45 | Cogen Supplemental | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 12 |
| TXRT46 | 46 | Cogen Maintenance, Backup & Interruptible | | - | - | - | - | - | - | - | - | - | - | - | - | 0 |
| Total Customers | | | | 306,556 | 306,851 | 307,348 | 307,744 | 308,137 | 308,532 | 308,927 | 309,334 | 309,744 | 310,153 | 310,560 | 310,966 | 3,704,952 |
| KWH | | | | | | | | | | | | | | | | 3,704,952 |
| TXRT01 | 1 | Residential | n/a | | | | | | | | | | | | | 0 |
| TXRT02 | 2 | Small Commercial Service | n/a | | | | | | | | | | | | | 0 |
| TXRT07 | 7 | Outdoor Recreational Lighting | n/a | | | | | | | | | | | | | 0 |
| TXRT08 | 8 | Street Lighting | n/a | | | | | | | | | | | | | 0 |
| TXRT11 | 11 | Muni Water Pumping | n/a | | | | | | | | | | | | | 0 |
| TXRT11 | 11 | Muni Water Pumping - Primary | n/a | | | | | | | | | | | | | 0 |
| TXRT11TU | 11TU | Muni Water Pumping TOU | n/a | | | | | | | | | | | | | 0 |
| TXRT11TU | 11TU | Muni Water Pumping TOU - Primary | n/a | | | | | | | | | | | | | 0 |
| TXRT15 | 15 | Electrolytic Refining | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 120,000 |
| TXRTWH | WH | Water Heating | n/a | | | | | | | | | | | | | 0 |
| TXRT22 | 22 | Irrigation | n/a | | | | | | | | | | | | | 0 |
| TXRT24 | 24 | General Service | 276,030 | 300,188 | 342,566 | 325,220</ | | | | | | | | | | |

EL PASO ELECTRIC COMPANY
EPES's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor
Allocator Development for EE Costs

| Line No | (a) Description | (b) Residential Service | (c) Small Commercial Service | (d) Outdoor Recreational Lighting | (e) Governmental Street Lighting Service | (f) Municipal Pumping Service | (g) Electrolytic Refining Service | (h) Water Heating Service | (i) Irrigation Service | (j) General Service | (k) Large Power Service - Sec. Ptl. | (l) Large Power Service- Trans. |
|---------|--------------------------------|-------------------------|------------------------------|-----------------------------------|--|-------------------------------|-----------------------------------|---------------------------|------------------------|---------------------|-------------------------------------|---------------------------------|
| 1 | 2014 C-P Average | 435,717 | 71,023 | 5,313,362 | 40,156,433 | 185,351,046 | 29,018 | 13,718,962 | 1,564 | 1,504,334,466 | 616,144,496 | - |
| 2 | 2014 Forecasted kWh | 2,093,851,457 | 249,670,858 | 5,313,362 | 40,156,433 | 185,351,046 | - | - | 1,564 | 1,504,334,466 | 616,144,496 | - |
| 3 | Commercial SOP | - | 71,023 | - | - | 29,018 | - | - | 1,564 | 329,007 | 95,760 | - |
| 4 | Small Commercial Solutions MTP | - | 71,023 | - | - | 29,018 | - | - | 1,564 | 329,007 | 95,760 | - |
| 5 | Large C&I Solutions MTP | - | - | - | - | 29,018 | - | - | 1,564 | 329,007 | 95,760 | - |
| 6 | Texas SCORE MTP | - | 71,023 | - | 303 | 29,018 | - | - | 1,564 | 329,007 | 95,760 | - |
| 7 | Load Management SOP | - | - | - | - | - | - | - | - | - | - | - |
| 8 | Commercial Rebate Pilot MTP | - | 71,023 | - | - | - | - | - | - | 329,007 | 95,760 | - |
| 9 | Residential Solutions MTP | 435,717 | - | - | - | - | - | - | - | - | - | - |
| 10 | Living Wise MTP | 435,717 | - | - | - | - | - | - | - | - | - | - |
| 11 | Appliance Recycling MTP | 435,717 | - | - | - | - | - | - | - | - | - | - |
| 12 | PV/Solar Pilot MTP | 435,717 | 71,023 | - | - | - | - | - | - | 329,007 | 95,760 | - |
| 13 | Hard To Reach Solutions MTP | 435,717 | - | - | - | - | - | - | - | - | - | - |
| 14 | Commercial SOP | - | 249,670,858 | 5,313,362 | - | 185,351,046 | - | - | 5,388,993 | 1,504,334,466 | 616,144,496 | - |
| 15 | Small Commercial Solutions MTP | - | 249,670,858 | 5,313,362 | - | 185,351,046 | - | - | 5,388,993 | 1,504,334,466 | 616,144,496 | - |
| 16 | Large C&I Solutions MTP | - | - | 5,313,362 | - | 185,351,046 | - | - | 5,388,993 | 1,504,334,466 | 616,144,496 | - |
| 17 | Texas SCORE MTP | - | 249,670,858 | 5,313,362 | 40,156,433 | 185,351,046 | - | - | 5,388,993 | 1,504,334,466 | 616,144,496 | - |
| 18 | Load Management SOP | - | - | - | - | - | - | - | - | - | - | - |
| 19 | Commercial Rebate Pilot MTP | - | 249,670,858 | - | - | - | - | - | - | - | - | - |
| 20 | Residential Solutions MTP | 2,093,851,457 | - | - | - | - | - | - | - | - | - | - |
| 21 | Living Wise MTP | 2,093,851,457 | - | - | - | - | - | - | - | - | - | - |
| 22 | Appliance Recycling MTP | 2,093,851,457 | - | - | - | - | - | - | - | - | - | - |
| 23 | PV/Solar Pilot MTP | 2,093,851,457 | 249,670,858 | - | - | - | - | - | - | 1,504,334,466 | 616,144,496 | - |
| 24 | Hard To Reach Solutions MTP | 2,093,851,457 | - | - | - | - | - | - | - | - | - | - |
| 25 | Commercial SOP | 10,102,11% | 0.0925% | 0.0000% | 0.0000% | 5,5783% | 0.0000% | 0.0000% | 0.2206% | 52,8510% | 18,4869% | 0.0000% |
| 26 | Small Commercial Solutions MTP | 0.0000% | 0.1362% | 0.0000% | 0.0000% | 8.1218% | 0.0000% | 0.0000% | 0.3198% | 76,7738% | 0.0000% | 0.0000% |
| 27 | Large C&I Solutions MTP | 0.0000% | 0.0000% | 0.1147% | 0.0000% | 7.1854% | 0.0000% | 0.0000% | 0.2860% | 68,5828% | 23,8087% | 0.0000% |
| 28 | Texas SCORE MTP | 0.0000% | 10.0384% | 0.0912% | 0.7140% | 5.5327% | 0.0000% | 0.0000% | 0.2192% | 52,4768% | 18,3349% | 0.0000% |
| 29 | Load Management SOP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 15.1047% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 50,0483% | 0.0000% |
| 30 | Commercial Rebate Pilot MTP | 10.7207% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 56,1601% | 19,6771% | 0.0000% |
| 31 | Residential Solutions MTP | 100.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% |
| 32 | Living Wise MTP | 100.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% |
| 33 | Appliance Recycling MTP | 100.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% |
| 34 | PV/Solar Pilot MTP | 43,2629% | 6.0914% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 31,8633% | 11,1430% | 0.0000% |
| 35 | Hard To Reach Solutions MTP | 100.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% |
| 36 | Commercial SOP | 0 | 1 | 1 | 0 | 1 | 0 | 0 | 1 | 1 | 1 | 0 |
| 37 | Small Commercial Solutions MTP | 0 | 1 | 1 | 0 | 1 | 0 | 0 | 1 | 1 | 0 | 0 |
| 38 | Large C&I Solutions MTP | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 | 1 | 1 | 0 |
| 39 | Texas SCORE MTP | 0 | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 1 | 1 | 0 |
| 40 | Load Management SOP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 41 | Commercial Rebate Pilot MTP | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 42 | Residential Solutions MTP | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 43 | Living Wise MTP | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 44 | Appliance Recycling MTP | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45 | PV/Solar Pilot MTP | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46 | Hard To Reach Solutions MTP | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor
Allocator Development for EE Costs

| Line No. | Description | (a) | (m) | (n) | (o) | (p) | (q) | (r) | (s) | (t) | (u) | (v) |
|----------|--------------------------------|---------|----------------------------|-----------------------|--------------------------|------------------------------|--------------------|-----------------------|-----------------------|------------------------|------------------|---------------|
| | | | Petroleum Refining Service | Private Area Lighting | Electric Furnace Service | Military Reservation Service | Cotton Gin Service | Interruptible Service | City / County Service | University Service (a) | Cogeneration (b) | Total |
| 1 | 2014 4-CP Average | - | - | - | - | - | 704,830 | - | 305,220,635 | - | - | 1,053,696 |
| 2 | 2014 Forecasted kWh | - | - | - | - | - | 704,830 | - | 305,220,635 | - | - | 5,019,855,538 |
| 3 | Commercial SOP | - | - | - | - | - | 47 | - | 90,565 | - | - | 616,984 |
| 4 | Small Commercial Solutions MTP | - | - | - | - | - | - | - | - | - | - | 430,612 |
| 5 | Large C&I Solutions MTP | - | - | - | - | - | 47 | - | - | - | - | 455,396 |
| 6 | Texas SCORE MTP | - | - | - | - | - | 47 | - | 90,565 | - | - | 617,287 |
| 7 | Load Management SOP | - | - | - | - | - | 47 | - | 90,565 | - | - | 215,390 |
| 8 | Commercial Rebate Pilot MTP | - | - | - | - | - | 47 | - | 90,565 | - | - | 586,402 |
| 9 | Residential Solutions MTP | - | - | - | - | - | - | - | - | - | - | 435,717 |
| 10 | Living Wise MTP | - | - | - | - | - | - | - | - | - | - | 435,717 |
| 11 | Appliance Recycling MTP | - | - | - | - | - | - | - | - | - | - | 435,717 |
| 12 | PV/Solar Pilot MTP | - | - | - | - | - | 47 | - | 90,565 | - | - | 1,022,119 |
| 13 | Hard To Reach Solutions MTP | - | - | - | - | - | - | - | - | - | - | 435,717 |
| 14 | Commercial SOP | - | - | - | - | - | 704,830 | - | 305,220,635 | - | - | 2,872,128,687 |
| 15 | Small Commercial Solutions MTP | - | - | - | - | - | - | - | - | - | - | 1,950,058,726 |
| 16 | Large C&I Solutions MTP | - | - | - | - | - | 704,830 | - | - | - | - | 2,317,237,194 |
| 17 | Texas SCORE MTP | - | - | - | - | - | 704,830 | - | 305,220,635 | - | - | 2,912,285,120 |
| 18 | Load Management SOP | - | - | - | - | - | 704,830 | - | 305,220,635 | - | - | 1,107,421,008 |
| 19 | Commercial Rebate Pilot MTP | - | - | - | - | - | 704,830 | - | 305,220,635 | - | - | 2,676,075,286 |
| 20 | Residential Solutions MTP | - | - | - | - | - | - | - | - | - | - | 2,093,851,457 |
| 21 | Living Wise MTP | - | - | - | - | - | - | - | - | - | - | 2,093,851,457 |
| 22 | Appliance Recycling MTP | - | - | - | - | - | - | - | - | - | - | 2,093,851,457 |
| 23 | PV/Solar Pilot MTP | - | - | - | - | - | 704,830 | - | 305,220,635 | - | - | 4,769,926,742 |
| 24 | Hard To Reach Solutions MTP | - | - | - | - | - | - | - | - | - | - | 2,093,851,457 |
| 25 | Commercial SOP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0161% | 0.0000% | 12.6528% | 0.0000% | 0.0000% | 100.0000% |
| 26 | Small Commercial Solutions MTP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 100.0000% |
| 27 | Large C&I Solutions MTP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0204% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 100.0000% |
| 28 | Texas SCORE MTP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0159% | 0.0000% | 12.5760% | 0.0000% | 0.0000% | 100.0000% |
| 29 | Load Management SOP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0427% | 0.0000% | 34.8042% | 0.0000% | 0.0000% | 100.0000% |
| 30 | Commercial Rebate Pilot MTP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0172% | 0.0000% | 13.4248% | 0.0000% | 0.0000% | 100.0000% |
| 31 | Residential Solutions MTP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 100.0000% |
| 32 | Living Wise MTP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 100.0000% |
| 33 | Appliance Recycling MTP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 100.0000% |
| 34 | PV/Solar Pilot MTP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0097% | 0.0000% | 7.6297% | 0.0000% | 0.0000% | 100.0000% |
| 35 | Hard To Reach Solutions MTP | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 100.0000% |
| 36 | Commercial SOP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 |
| 37 | Small Commercial Solutions MTP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38 | Large C&I Solutions MTP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| 39 | Texas SCORE MTP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 |
| 40 | Load Management SOP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 |
| 41 | Commercial Rebate Pilot MTP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 |
| 42 | Residential Solutions MTP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 43 | Living Wise MTP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 44 | Appliance Recycling MTP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45 | PV/Solar Pilot MTP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 |
| 46 | Hard To Reach Solutions MTP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 47 | Commercial SOP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 |
| 48 | Small Commercial Solutions MTP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 49 | Large C&I Solutions MTP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| 50 | Texas SCORE MTP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 |
| 51 | Load Management SOP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 |
| 52 | Commercial Rebate Pilot MTP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 |
| 53 | Residential Solutions MTP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 54 | Living Wise MTP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 55 | Appliance Recycling MTP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 56 | PV/Solar Pilot MTP | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 1 |
| 57 | Hard To Reach Solutions MTP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

EL PASO ELECTRIC COMPANY
EP's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2015

| Line No. | Rate & Voltage | (b) | (c) | Texas Coincident Demand at Meter | | | | | (h) |
|-------------|------------------|-----|--|----------------------------------|--------------|----------------|-------------------|------------------------|---------------|
| | | | | June 2013 | July 2013 | August 2013 | September 2013 | 4 CP Demand Average | |
| 1 | TXRT101 - S | 1 | Residential Service - S | 459,948 | 406,766 | 401,261 | 372,984 | 410,242 | 1,976,833,200 |
| 2 | TXRT101 - WH | 21 | Residential Service Water Heating Service - S | 764 | 604 | 621 | 613 | 651 | 13,083,871 |
| 3 | TXRT102 - S | 2 | Small Commercial Service - S | 67,484 | 75,171 | 75,687 | 56,547 | 68,722 | 242,246,166 |
| 4 | TXRT102 - WH | 21 | Small Commercial Service Water Heating Service - S | 36 | 35 | 33 | 37 | 35 | 635,584 |
| 5 | TXRT107 - S | 7 | Outdoor Recreational Lighting Service - S | - | - | - | - | - | 4,864,609 |
| 6 | TXRT107 - P | 7 | Outdoor Recreational Lighting Service - P | - | - | - | - | - | 114,237 |
| 7 | TXRT108 - S | 8 | Governmental Street Lighting & Signal Service - S | 298 | 298 | 318 | 298 | 304 | 40,355,081 |
| 8 | TXRT108 - P | 8 | Governmental Street Lighting & Signal Service - P | - | - | - | - | - | - |
| 9 | TXRT111 - S | 11 | Municipal Pumping Service - S | - | - | - | - | - | - |
| 10 | TXRT111 - P | 11 | Municipal Pumping Service - P | 7,246 | 9,078 | 8,828 | 8,276 | 8,357 | 40,878,100 |
| 11 | TXRT111 - S TOU | 11 | Municipal Pumping Service TOU - S | 513 | 651 | 96 | 101 | 340 | 1,892,121 |
| 12 | TXRT111 - P TOU | 11 | Municipal Pumping Service TOU - P | 10,322 | 13,582 | 13,207 | 13,284 | 12,599 | 90,310,773 |
| 13 | TXRT115 - S | 11 | Electrolytic Refining Service - S | 6,558 | 6,546 | 6,333 | 6,329 | 6,442 | 44,577,287 |
| 14 | TXRT115A - S | 11 | Electrolytic Refining Service - S | 10,000 | 9,012 | 6,343 | 10,000 | 8,839 | 55,508,116 |
| 15 | TXRT122 - S | 22 | Curable Electrolytic Refining Service - S | 1,988 | - | - | 1,106 | 778 | 19,696,957 |
| 16 | TXRT122 - S | 22 | Curable Electrolytic Refining Service - S | 323,015 | 312,887 | 323,610 | 306,159 | 316,420 | 5,197,406 |
| 17 | TXRT124 - S | 24 | General Service - S | 7,907 | 7,407 | 6,417 | 6,139 | 6,988 | 1,447,790,922 |
| 18 | TXRT124 - WH | 24 | General Service Water Heating | 1 | 1 | 4 | 10 | 4 | 34,801,687 |
| 19 | TXRT125 - P | 25 | General Service - P | 77,938 | 79,288 | 75,565 | 74,280 | 78,768 | 485,120,310 |
| 20 | TXRT125 - S | 25 | General Service - S | 17,182 | 18,712 | 19,471 | 16,220 | 16,899 | 109,601,304 |
| 21 | TXRT125A - P | 25 | Large Power Service - P | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 8,699,080 |
| 22 | TXRT125A - S | 25 | Large Power Service - S | 42 | 95 | 151 | 84 | 93 | 2,551,037 |
| 23 | TXRT125A - S | 25 | Large Power On-Peak Service - S | 568 | 518 | 413 | 430 | 482 | 6,264,255 |
| 24 | TXRT143 - S | 25 | University Service - S | 434 | 879 | 424 | 424 | 540 | 5,135,016 |
| 25 | TXRT143 - P | 25 | University Service - P | 7,596 | 9,735 | 7,411 | 8,004 | 8,179 | 57,047,152 |
| 26 | TXRT131 - T/115 | 26 | Military Reservation Service - T | 64,750 | 62,378 | 62,411 | 52,743 | 60,566 | 338,224,368 |
| 27 | TXRT128 - T/115 | 27 | Petroleum Refining Service - T | 40,400 | 40,400 | 40,400 | 40,400 | 40,400 | 331,438,384 |
| 28 | TXRT128 - S | 28 | Petroleum Refining Service - S | - | - | - | - | - | 28,704,481 |
| 29 | TXRT130 - T/69 | 30 | Private Area Lighting Service - T | 1,111 | 1,538 | 1,719 | 1,852 | 1,555 | 8,782,923 |
| 30 | TXRT130 - T/115 | 30 | Electric Furnace Rate - T/69 | 3,889 | 3,462 | 3,281 | 3,148 | 3,446 | 12,740,135 |
| 31 | TXRT134 - S | 34 | Electric Gm Service - S | 4 | 4 | 16 | 15 | 10 | 689,172 |
| 32 | TXRT138 - P | 34 | Interruptible Service Rate - Large Power - P | 11,163 | 11,233 | 5,984 | 6,711 | 8,778 | 57,073,280 |
| 33 | TXRT138 - 25/115 | 34 | Interruptible Service Rate - Transmission Service | 725 | 2,744 | 714 | 1,945 | 1,532 | 11,896,290 |
| 34 | TXRT138 - 26/115 | 34 | Interruptible Power Rate - Petroleum Refining | 9,194 | 9,712 | 7,854 | 7,682 | 8,611 | 75,264,772 |
| 35 | TXRT138 - 30/115 | 34 | Interruptible Power Service - Electric Furnace | 20,548 | 19,960 | 24,950 | 14,899 | 20,089 | 144,550,305 |
| 36 | TXRT141 - 02 S | 41 | City and County Small Commercial Service - S | - | - | - | - | - | - |
| 37 | TXRT141 - 24 S | 41 | City and County General Service - S | 80,312 | 79,051 | 88,878 | 80,049 | 81,573 | 254,417,591 |
| 38 | TXRT141 - 24 P | 41 | City and County General Service - P | 8,716 | 9,051 | 8,568 | 8,646 | 8,745 | 50,803,044 |
| 39 | TXRT141 - 25 S | 41 | City and County Large Power Service - S | - | - | - | - | - | - |
| 40 | TXRT141 - 25 P | 41 | City and County Large Power Service - P | - | - | - | - | - | - |
| 41 | TXRT145/25 - P | 25 | Supplementary Power Service - P | - | - | - | - | - | - |
| 42 | TXRT145/25 - P | 25 | Maintenance & Backup Power Service - P | - | - | - | - | - | - |
| 43 | TXRT164/47 - P | 34 | Total Texas Demand | 1,247,189 | 1,187,522 | 1,191,395 | 1,106,998 | 1,185,524 | 6,028,387,760 |
| 44 | TXRT164/47 - P | 34 | Texas Non-Firm Demand | 43,669 | 43,649 | 39,652 | 32,343 | 43,669 | 22,180,186 |
| 45 | TXRT164/47 - P | 34 | Texas Firm Demand | 1,197,800 | 1,097,145 | 1,147,221 | 1,124,352 | 1,147,221 | 208,400 |

EL PASO ELECTRIC COMPANY
EP's Proposed Rate Calculation for
2015 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2015

| Line No. | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | |
|----------|-----------------|-----|-----------------------------------|-----------|-----------|-------------|----------------|---------------------|---------------|----------------------|---------------|
| Rate | Applicable Rate | | | | | | | | | | |
| 1 | 01 | 01 | Texas Coincident Demand at Meter | June 2013 | July 2013 | August 2013 | September 2013 | 4 CP Demand Average | 2013 Energy | 2015 Forecast Energy | 2014 Forecast |
| 2 | 02 | 02 | Residential Service | 450,948 | 406,766 | 401,261 | 372,994 | 410,242 | 1,976,833,200 | 2,093,861,457 | 435,717 |
| 3 | 07 | 07 | Small Commercial Service | 67,484 | 75,171 | 75,687 | 56,547 | 68,722 | 249,670,856 | 249,670,856 | 71,023 |
| 4 | 08 | 08 | Outdoor Recreational Lighting | - | - | - | - | - | 5,078,846 | 5,313,382 | - |
| 5 | 11 | 11 | Municipal Street Lighting Service | 299 | 299 | 318 | 299 | 304 | 40,355,091 | 40,355,091 | 303 |
| 6 | 15 | 15 | Municipal Pumping Service | 24,639 | 29,859 | 28,462 | 27,980 | 27,738 | 177,658,291 | 185,351,046 | 20,018 |
| 7 | 21 | 21 | Electricity Refining Service | - | - | - | - | - | 57,315,503 | 57,315,503 | - |
| 8 | 22 | 22 | Water Heating Service | 801 | 640 | 658 | 660 | 690 | 13,719,993 | 13,718,962 | 692 |
| 9 | 24 | 24 | Irrigation Service | 1,673 | 1,445 | 1,245 | 1,656 | 1,505 | 5,197,406 | 5,388,993 | 1,564 |
| 10 | 25 | 25 | General Service | 330,922 | 320,304 | 330,027 | 312,298 | 323,388 | 1,482,682,609 | 1,504,334,466 | 329,007 |
| 11 | 25T | 25 | Large Power Service- Spec Pkt | 108,602 | 114,473 | 104,440 | 104,358 | 107,968 | 696,598,350 | 616,144,496 | 95,760 |
| 12 | 26 | - | Petroleum Refining Service | - | - | - | - | - | - | 8,699,090 | - |
| 13 | 28 | - | Private Area Lighting | - | - | - | - | - | - | 330,259,292 | - |
| 14 | 30 | - | Electric Furnace Service | - | - | - | - | - | - | 27,729,995 | - |
| 15 | 31 | - | Military Reservation Service | - | - | - | - | - | - | 22,845,859 | - |
| 16 | 34 | 34 | Cotton Gin Service | 25 | 4 | 185 | 15 | 60 | 897,572 | 355,801,097 | 47 |
| 17 | 38 | - | Intermittent Service | - | - | - | - | - | 704,830 | 704,830 | - |
| 18 | 41 | 41 | City / County Service | 88,028 | 88,102 | 95,446 | 88,695 | 90,316 | 313,478,210 | 313,478,210 | 90,565 |
| 19 | 43 | - | University Service | - | - | - | - | - | 306,220,635 | 306,220,635 | - |
| 20 | 46/47 | - | Cogeneration | - | - | - | - | - | 62,986,748 | 62,986,748 | - |
| 21 | Total | - | Total | 1,083,421 | 1,037,083 | 1,037,739 | 985,512 | 1,030,934 | 4,946,498,159 | 6,199,179,931 | 1,053,696 |

CONFIDENTIAL WORKPAPER
EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2014 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2014

Workpaper JS-10
Page 1 of 1

| | |
|-----------------------|-------------------------|
| TOTAL EPE | <u><u>\$ 73,961</u></u> |
| TOTAL CITY OF EI PASO | <u><u>\$ 9,720</u></u> |
| GRAND TOTAL | <u><u>\$ 83,681</u></u> |

EL PASO ELECTRIC COMPANY
EPE's Settlement Rate Calculation for
2014 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December

| Line No. | Applicable Rate | Rate Class | 2014 Projected Metered kWh | 2014 Proposed Program Budget | 2012 Energy Efficiency Bonus | 2012 Total EECRF Proceeding Expenses | 2011 Energy Efficiency Bonus Adjustment | 2012 (Over)/Under Recovery | 2012 EM&V Expenses | 2013 EM&V Expenses | Total Energy Efficiency Costs to be Recovered | Total Rate per kWh |
|----------|-----------------|--------------------------------------|----------------------------|------------------------------|------------------------------|--------------------------------------|---|----------------------------|--------------------|--------------------|---|--------------------|
| 1 | 01 | Residential Service | 2,051,835,713 | \$ 1,564,813 | \$ 145,424 | \$ 16,689 | \$ (18,685) | \$ (227,822) | \$ 21,854 | \$ 31,987 | \$ 1,534,280 | \$ 0.000748 |
| 2 | 02 | Small Commercial Service | 257,419,139 | 186,588 | 33,504 | 3,845 | (10,371) | 299,371 | 7,234 | 9,269 | 508,440 | 0.001979 |
| 3 | 07 | Outdoor Recreational Lighting | 5,481,462 | 2,269 | - | - | - | (918) | - | - | 1,352 | 0.000247 |
| 4 | 08 | Governmental Street Lighting Service | 39,915,211 | 2,865 | - | - | - | (5,183) | - | - | (2,318) | (0.000058) |
| 5 | 11 | Municipal Pumping Service | 176,408,529 | 174,992 | - | - | - | (136,487) | - | - | 38,505 | 0.000218 |
| 6 | 15 | Electrolytic Refining Service | - | - | - | - | - | - | - | - | - | - |
| 7 | 21 | Water Heating Service | 18,333,352 | - | - | - | - | (16,131) | - | - | (16,131) | (0.000880) |
| 8 | 22 | Irrigation Service | 4,122,984 | 3,789 | - | - | - | (1,842) | - | - | 2,146 | 0.000521 |
| 9 | 24 | General Service | 1,588,408,254 | 1,549,668 | 98,645 | 11,344 | (24,547) | (691,580) | 30,123 | 48,373 | 1,022,226 | 0.000644 |
| 10 | 25 | Large Power Service - Sec. Ptl. | 699,771,929 | 663,865 | 42,229 | 4,846 | (34,913) | 51,631 | 3,045 | 4,870 | 735,374 | 0.001051 |
| 11 | 25T | Large Power Service- Trans. | - | - | - | - | - | - | - | - | - | - |
| 12 | 26 | Petroleum Refining Service | - | - | - | - | - | - | - | - | - | - |
| 13 | 28 | Private Area Lighting | - | - | - | - | - | - | - | - | - | - |
| 14 | 30 | Electric Furnace Service | - | - | - | - | - | - | - | - | - | - |
| 15 | 31 | Military Reservation Service | - | - | - | - | - | - | - | - | - | - |
| 16 | 34 | Cotton Gin Service | 2,358,756 | 1,284 | - | - | - | 5,041 | - | - | 6,325 | 0.002681 |
| 17 | 38 | Interruptible Service | - | - | - | - | - | - | - | - | - | - |
| 18 | 41 | City / County Service | 320,645,825 | 254,518 | 38,376 | 4,404 | (12,811) | 105,407 | 10,222 | 14,118 | 414,234 | 0.001282 |
| 19 | 43 | University Service (a) | - | - | - | - | - | - | - | - | - | - |
| 20 | 46/47 | Cogeneration (b) | - | - | - | - | - | - | - | - | - | - |
| 21 | | Texas Total | 5,164,702,154 | \$ 4,384,650 | \$ 358,378 | \$ 41,129 | \$ (101,327) | \$ (818,113) | \$ 72,278 | \$ 108,417 | \$ 4,245,413 | 0.000822 |

(a) Rates combined with Rate 25 - Large Power Service - Sec. Ptl. in accordance with P.U.C. Subst. Rule 25.181 (f) (2)
(b) Rates combined with Rate 34 - Cotton Gin Service in accordance with P.U.C. Subst. Rule 25.181 (f) (2)

EL PASO ELECTRIC COMPANY
COMPARISON OF TYPICAL TEXAS RESIDENTIAL BILLS

| (a) | | (b) | (c) | (d) | (e) | (f) |
|------|----------------------------------|-----------------------------------|----------|----------|-----------|----------|
| | | Typical Residential Bill - Summer | | | | |
| Line | | (May - October) | | | | |
| No. | Description | kWh | Current | Proposed | \$ Change | % Change |
| 1 | Customer Charge | — | \$ 5.00 | \$ 5.00 | \$0.00 | 0.00% |
| 2 | Energy Charge | 600 | 52.47 | 52.47 | 0.00 | 0.00% |
| 3 | Subtotal - Non-Fuel Base Charges | | \$ 57.47 | \$ 57.47 | \$ - | 0.00% |
| 4 | MBDRF | — | 0.66 | 0.66 | 0.00 | 0.00% |
| 5 | EECRF | 600 | 0.45 | 0.70 | 0.25 | 55.56% |
| 6 | Credit Rider - Summer Month | 600 | (0.83) | (0.83) | 0.00 | 0.00% |
| 7 | Fuel Charge | 600 | 15.17 | 15.17 | 0.00 | 0.00% |
| 8 | Total Bill @ 600 kWh | | \$ 72.92 | \$ 73.17 | \$ 0.25 | 0.34% |

| | Pursuant to | |
|------------------------------|--------------|---------------------|
| | Current | Docket No. Proposed |
| Customer Charge | \$ 5.00 | D40094 |
| Energy Charge (\$kWh) Summer | \$ 0.087450 | D40094 |
| Energy Charge (\$kWh) Winter | \$ 0.077450 | D40094 |
| MBDRF | 1.154% | D41663 |
| EECRF | \$ 0.000748 | D41403 |
| Credit Rider - Summer | \$ (0.00138) | D40094 |
| Fuel Factor Charges (\$kWh) | \$ 0.025277 | |

DOCKET NO. 42449

**APPLICATION OF EL PASO
ELECTRIC COMPANY FOR
APPROVAL TO REVISE ITS
ENERGY EFFICIENCY COST
RECOVERY FACTOR AND
REQUEST TO ESTABLISH REVISED
COST CAPS**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

**AFFIDAVIT OF BRET J. SLOCUM
CONCERNING EL PASO ELECTRIC COMPANY LEGAL EXPENSES
FOR 2013 EECRF PROCEEDING**

STATE OF TEXAS

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§
§

COUNTY OF TRAVIS

BEFORE ME, the undersigned authority, on this day personally appeared Bret J. Slocum, who being by me first duly sworn, on oath, deposed and said the following:

My name is Bret J. Slocum. I am over the age of twenty-one years, am of sound mind, have personal knowledge of the statements made herein, and the facts are true and correct. I am competent to make this Affidavit.

1. I am a partner at the law firm of Duggins Wren Mann & Romero, LLP. I have practiced law for approximately thirty years, involving many cases before the Public Utility Commission of Texas.
2. Attached to this Affidavit as Exhibit A are copies of the pertinent monthly billings to El Paso Electric (EPE) for work done on last year's EPE Energy Efficiency Cost Recovery Factor (EECRF) proceeding, Docket 41403.
3. I have reviewed the billing at the time they were sent to EPE and more recently. The billings are only for attorney and paralegal time spent working on EPE's EECRF filing