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Item Number - 108

DOCKET NO. 50477

Compliance Filing for Docket No. 49849 (Joint Report and Application of El Paso Electric Company, Sun Jupiter Holdings LLC, and IIF US Holding 2 LP for Regulatory Approvals Under PURA §§ 14.101, 39.262, and 39.915)



**QUARTERLY DIVIDEND REPORT
FOR THE QUARTER ENDING
DECEMBER 31, 2024**



P.O. Box 982
El Paso, Texas
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February 14, 2025

Filing Clerk
Public Utility Commission of Texas
1701 N. Congress Ave.
Austin, Texas 78711

RE: Docket No. 50477, *Compliance Filing for Docket No. 49849 (Joint Report and Application of El Paso Electric Company, Sun Jupiter Holdings LLC, and IIF US Holding 2 LP for Regulatory Approvals Under PURA §§ 14.101, 39.262, and 39.915)*

To Whom It May Concern:

This filing is made by El Paso Electric Company ("EPE" or the "Company") with the Public Utility Commission of Texas ("Commission") in response to Order No. 31 in this proceeding to comply with the Settlement Agreement and the Commission's Final Order in docket No. 49849, *Joint Report and Application of El Paso Electric Company, Sun Jupiter Holdings LLC, and IIF US Holding 2 LP for Regulatory Approvals Under PURA §§ 14.101, 39.262, and 39.915*, which, in accordance with Findings of Fact Nos. 60(c)-(e) and Ordering Paragraph Nos. 2 and 9, require EPE to do the following:

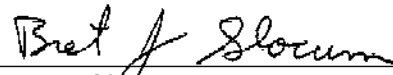
1. EPE will make a quarterly compliance filing with the Commission demonstrating that EPE is issuing dividends or other distribution, except for contractual tax payments, only if the issuance of such dividend or other distribution does not cause the equity ratio of EPE's total capital for ratemaking purposes to fall below that established by the Commission;
2. EPE will limit its payment of dividends or other distributions, except for contractual tax payments, to an amount not to exceed the Company's net income (as determined in accordance with Generally Accepted Accounting Principles ("GAAP") and excluding the impact of the Palo Verde Nuclear Decommissioning Trust) defined as ("Net Income");
3. EPE will not issue dividends or other distributions, other than contractual tax payments, unless, based on the Company's credit rating, the requisite number of board members, including disinterested directors,¹ approve the issuance of such dividends.

¹ A disinterested director is one that not only must meet the definition of a New York Stock Exchange independent director but must also be independent from and have no material relationship within the previous five years with either IIF US Holding 2 or its subsidiaries or affiliated entities as well as JP Morgan Chase. Disinterested directors also have special voting rights and rules concerning their appointment and removal. See Docket No. 49849, Findings of Fact Nos. 60(c), 60(f), 64(b)-(c), 66(b).

EPE issued a dividend on November 6, 2024, that (1) resulted in an equity ratio of 56.410%,² which is not below that established by the Commission in the Company's last base rate case of 51.0%;³ (2) was limited to the Company's third quarter Net Income; and (3) was approved by a majority vote of EPE board of directors, including at least two disinterested directors, as the Company's credit ratings prior to the approval were Baa2 (Moody's) and BBB (Fitch). Included as Attachment A is an affidavit from Richard Gonzalez, Treasurer, who attests to the Company's equity ratio, Net Income, and credit ratings. Included as Attachment B is an affidavit from Julieta E. Cordero, Assistant Corporate Secretary, who attests to the number of board members, including disinterested directors, that approved the issuance of the dividend.

Respectfully submitted,

Bret J. Slocum
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DUGGINS WREN MANN & ROMERO, LLP
P.O. Box 1149
Austin, Texas 78767
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By: 
Bret J. Slocum

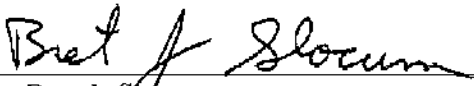
**ATTORNEYS FOR EL PASO ELECTRIC
COMPANY**

² The projected equity ratio at the time the board of directors approved the dividend issuance was 56.409%. The difference between the projected equity ratio and the actual equity ratio was the result of normal, miscellaneous adjustments that invariably occur at the closing of a financial quarter.

³ See, *Application of El Paso Electric Company to Change Rates*, Docket No. 52195, Findings of Fact 8 and 64, and Ordering Paragraph 2 (September 15, 2022).

CERTIFICATE OF SERVICE

I certify that a true and correct copy of this document was served by electronic mail on all parties of record in this proceeding on February 14, 2025.


Bret J. Slocum

ATTACHMENT A
AFFIDAVIT OF RICHARD GONZALEZ

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DOCKET NO. 50477

COMPLIANCE FILING FOR	§	PUBLIC UTILITY COMMISSION
DOCKET NO. 49849 (JOINT REPORT AND	§	
APPLICATION OF EL PASO ELECTRIC	§	OF TEXAS
COMPANY, SUN JUPITER HOLDINGS	§	
LLC, AND IIF US HOLDINGS 2 LP FOR	§	
REGULATORY APPROVALS UNDER	§	
PURA §§ 14.101, 39.262, AND 39.915)	§	

AFFIDAVIT OF RICHARD GONZALEZ

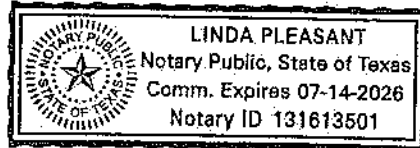
Before me, the undersigned authority, personally appeared Richard Gonzalez, who, being by me duly sworn, stated under oath as follows:


1. My name is Richard Gonzalez. I am of sound mind and capable of making this affidavit. The facts stated herein are correct and based on my personal knowledge.
2. I am the Treasurer for El Paso Electric Company (“EPE”).
3. On October 30, 2024, EPE’s Board of Directors approved a resolution to issue a dividend in the amount of \$108,759,000.
4. EPE determined, as demonstrated by Attachment 1, that, (1) prior to the vote approving the dividend issuance, the projected equity ratio would be 56.409% after the dividend issuance and (2) after the September closing, the actual equity ratio that resulted from the dividend issuance was 56.410%. Attachment 1 was created at my direction and is correct to the best of my knowledge, information, and belief.
5. EPE’s third quarter net income as determined in accordance with Generally Accepted Accounting Principles and excluding the impact of the Palo Verde Nuclear Decommissioning Trust was \$108,759,000.
6. EPE’s Moody’s credit rating was Baa2 and its Fitch credit rating was BBB on October 31, 2024.
7. EPE adhered to its Dividend Policy in approving the dividend issued on November 6, 2024.

Affiant states nothing further.


Richard Gonzalez

SWORN TO AND SUBSCRIBED before me on this 14 day of February, 2025.




Notary Public, State of Texas

ATTACHMENT 1
EQUITY RATIO CALCULATION

EL PASO ELECTRIC COMPANY
TEXAS DIVIDEND COMPLIANCE FILING
PROJECTED CAPITAL STRUCTURE
BEFORE DIVIDEND ISSUANCE

ATTACHMENT 1
PAGE 1 OF 2

(a)		(b)	(c)
Actual Capital Structure			
Line	Description	Balance as of September 30, 2024	Percent of Total
1	Long-Term Debt	\$1,646,108,721	42.370%
2	Equity	<u>2,238,929,668</u>	57.630%
3	Total	<u><u>\$3,885,038,389</u></u>	<u><u>100.000%</u></u>

Adjusted Capital Structure			
Line	Description	Balance as of September 30, 2024	Percent of Total
4	Long-Term Debt	\$1,646,108,721	43.591%
5	Equity	\$2,238,929,668	
6	Projected Dividend	<u>(\$108,759,000)</u>	
7	Adjusted Equity ⁽¹⁾	<u>2,130,170,668</u>	56.409%
8	Total	<u><u>\$3,776,279,389</u></u>	<u><u>100.000%</u></u>

Notes

⁽¹⁾ Includes the payment of \$108.759 million in cash dividends

EL PASO ELECTRIC COMPANY
TEXAS DIVIDEND COMPLIANCE FILING
CAPITAL STRUCTURE
AFTER DIVIDEND ISSUANCE

ATTACHMENT 1
PAGE 2 OF 2

(a)		(b)	(c)
As Approved in PUC Docket No. 52195			
Line	Description	Balance as of December 31, 2020	Percent of Total
1	Long-Term Debt		49.000%
2	Equity		51.000%
3	Total		100.000%

Actual Capital Structure

Line	Description	Balance as of October 31, 2024	Percent of Total
4	Long-Term Debt	\$1,646,236,933	43.590%
5	Equity ⁽¹⁾	\$2,130,372,857	56.410%
6	Total	\$3,776,609,790	100.000%

Notes

⁽¹⁾ Includes the payment of \$108.759 million in cash dividends

ATTACHMENT B
AFFIDAVIT OF JULIETA E. CORDERO

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AFFIDAVIT OF JULIETA E. CORDERO
ASSISTANT CORPORATE SECRETARY

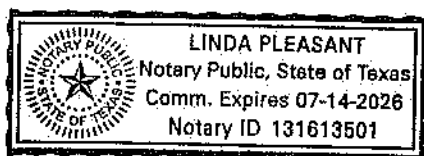
Before me, the undersigned authority, personally appeared Julieta E. Cordero, who, being by me duly sworn, stated under oath as follows:


1. My name is Julieta E. Cordero. I am of sound mind and capable of making this affidavit. The facts stated herein are correct and based on my personal knowledge.
2. I am an Assistant Corporate Secretary for El Paso Electric Company ("EPE").
3. On October 30, 2024, EPE's Board of Directors approved a resolution to issue a dividend in the amount \$108,759,000 by a unanimous vote.
4. All four of EPE's disinterested directors voted in favor of the resolution to issue the dividend.

Affiant states nothing further.


Julieta E. Cordero

SWORN TO AND SUBSCRIBED before me on this 12th day of February, 2025.




Notary Public, State of Texas

The following files are not convertible:

FINAL.xlsx	TX Dividend Compliance_Attachment 1
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Please see the ZIP file for this Filing on the PUC Interchange in order to access these files.

Contact centralrecords@puc.texas.gov if you have any questions.